Financial Report - 1st half 2015

TOTAL
COMMITTED TO BETTER ENERGY

Contents

Financial Report
1st half 2015

This translation is a non-binding translation into English of the 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 for the first half 2015 have been prepared in accordance with the applicable set of accounting standards and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation as a whole, and that the interim Management Report on pages 1 to 12 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 half-year financial statements, major related parties transactions and the principal risks and uncertainties for the remaining six months of the financial year.

The statutory auditor's report on the limited review of the above mentioned condensed Consolidated Financial Statements is included on page 13 of this half-year financial report."

Courbevoie, July 29, 2015

Patrick Pouyanné
Chief Executive Officer

AMF AUTORITÉ DES MARCHÉS FINANCIERS

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 29, 2015 pursuant to paragraph III of Article L. 451-1-2 of the French Monetary and Financial Code.

Abbreviations

b:	barrel
cf:	cubic feet
/d:	per day
/y:	per year
€:	euro
$ and/or dollar:	U.S. dollar
t:	metric ton
boe:	barrel of oil equivalent
kboe/d:	thousand boe/d
kb/d:	thousand barrel/d
Btu:	British thermal unit
M:	million
B:	billion
AMF:	French Financial Markets Authority
ERMI:	*European Refining Margin Indicator*. ERMI is an indicator intended to represent the margin after variable costs for a hypothetical complex refinery located in Rotterdam in Northern Europe. The indicator margin may not be representative of the actual margins achieved by TOTAL in any period because of TOTAL's particular refinery configurations, product mix effects or other company-specific operating conditions.
IFRS:	International Financial Reporting Standards
LNG:	liquefied natural gas
ROE	Return on Equity
ROACE:	Return on Average Capital Employed
SEC:	United States Securities and Exchange Commission

Conversion table

1 boe = 1 barrel of crude oil = approx. 5,400 cf of gas* in 2014.
1 b/d = approx. 50 t/y
1 t = approx. 7.5 b (for a gravity of 37° API)
1 Bm^3/y = approx. 0.1 Bcf/d
1 m^3 = approx. 35.3 cf
1 t of LNG = approx. 48 kcf of gas
1 Mt/y of LNG = approx. 131 Mcf/d

* This ratio is calculated based on the actual average equivalent energy content of TOTAL's natural gas reserves and is subject to change.

Definitions

The terms "TOTAL" and "Group" as used in this Registration Document refer to TOTAL S.A. collectively with all of its direct and indirect consolidated subsidiaries located in, or outside of France.

Financial Report - 1st half 2015

1. Key figures [1]

(in millions of dollars, except effective tax rate, earnings per share and number of shares)	1H15	1H14	1H15 vs 1H14
Sales	87,028	123,248	-29%
Adjusted operating income from business segments	7,375	11,765	-37%
Adjusted net operating income from business segments	6,114	7,523	-19%
– Upstream	2,919	6,143	-52%
– Refining & Chemicals	2,449	747	x3
– Marketing & Services	746	633	+18%
Contribution of equity affiliates to adjusted net income	1,311	1,713	-23%
Group effective tax rate [a]	39.1%	56.5%	
Adjusted net income	5,687	6,478	-12%
Adjusted fully-diluted earnings per share (dollars)	2.47	2.84	-13%
Adjusted fully-diluted earnings per share (euros) [b]	2.21	2.07	+7%
Fully-diluted weighted-average shares (millions)	2,289	2,279	-
Net income (Group share)	5,634	6,439	-13%
Investments [c]	15,399	14,588	+6%
Divestments	4,877	2,471	x2
Net investments [d]	10,441	11,991	-13%
Cash flow from operations	9,119	10,615	-14%
Adjusted cash flow from operations	9,952	12,135	-18%

(a) Tax on adjusted net operating income / (adjusted net operating income - income from equity affiliates - dividends received from investments + tax on adjusted net operating income).
(b) Average €-$ exchange rate: 1.1158 in the first half 2015.
(c) Including acquisitions.
(d) Net investments = investments including acquisitions - asset sales - other transactions with non-controlling interests.

(1) Adjusted results are defined as income using replacement cost, adjusted for special items, excluding the impact of changes in fair value. Adjusted cash flow from operations is defined as cash flow from operations before changes in working capital at replacement cost; adjustment items are on page 8 and the inventory valuation effect is explained on page 12.

2. Highlights since the beginning of 2015 [1]

- Entered new ADCO concession in Abu Dhabi with 10% interest for 40-year duration, effective January 1, 2015
- Started production from Eldfisk II in the Norwegian North Sea
- Started production from West Franklin Phase 2 in the UK North Sea
- Stopped flaring and started producing gas from the Ofon field in Nigeria
- Started production on the Termokarstovoye gas field in Russia
- Positive appraisal on the Elk-Antelope gas fields in Papua-New Guinea
- Achieved the production milestone of 2 billion barrels from Angola deep offshore Block 17 and first production from the Dalia Phase 1A project in Angola
- Announced plans for European refining: Total to adapt the Lindsey refinery, modernize the Donges refinery and convert the La Mède refinery to a bio-refinery
- Started up the lubricants plant in Singapore
- Finalized the sales of Bostik, several onshore Blocks in Nigeria and Totalgaz
- Sale of interests in assets in the West of Shetland area in the United Kingdom
- Sale of the interest in the Schwedt refinery in Germany

3. Analysis of business segments

3.1. Upstream

3.1.1. Environment – liquids and gas price realizations [a]

	1H15	1H14	1H15 vs 1H14
Brent ($/b)	57.8	108.9	-47%
Average liquids price ($/b)	53.8	102.5	-48%
Average gas price ($/Mbtu)	5.03	6.80	-26%
Average hydrocarbon price ($/boe)	43.6	73.2	-40%

(a) Consolidated subsidiaries, excluding fixed margins.

3.1.2. Production

Hydrocarbon production	1H15	1H14	1H15 vs 1H14
Combined production (kboe/d)	2,347	2,116	+11%
Liquids (kb/d)	1,227	1,007	+22%
Gas (Mcf/d)	6,110	6,066	+1%

In the first half 2015, hydrocarbon production was 2,347 kboe/d, an increase of 11% compared to the first half 2014, due to the following:

- +4% for new project start ups;
- +6% due to portfolio changes, mainly the addition of the new ADCO concession in the United Arab Emirates, partially offset by asset sales in the North Sea, Nigeria and Azerbaijan;
- -2% due to the shutdown of production in Yemen;
- +3% due to the price effect and better field performance, offsetting natural decline.

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

3.1.3. Results

(in millions of dollars, except effective tax rate)	1H15	1H14	1H15 vs 1H14
Adjusted operating income	3,526	10,311	-66%
Effective tax rate [(a)]	47.9%	56.3%	
Adjusted net operating income	2,919	6,143	-52%
includes income from equity affiliates	*992*	*1,502*	*-34%*
Investments	13,804	13,310	+4%
Divestments	1,541	2,367	-35%
Cash flow from operations	6,238	8,616	-28%
Adjusted cash flow from operations	5,929	9,974	-41%

(a) Tax on adjusted net operating income / (adjusted net operating income – income from equity affiliates – dividends received from investments + tax on adjusted net operating income).

Adjusted net operating income from the Upstream Segment was 2,919 M$ in the first half 2015, a decrease of 52% compared to the first half 2014, essentially due to the decrease in the average realized price of hydrocarbons, partially offset by an increase in production, a material decrease in operating costs, and a lower effective tax rate, notably in Nigeria and in Congo.

3.2. Refining & Chemicals

3.2.1. Refinery throughput and utilization rates [(a)]

	1H15	1H14	1H15 vs 1H14
Total refinery throughput (kb/d)	1,920	1,662	+16%
– France	675	626	+8%
– Rest of Europe	835	741	+13%
– Rest of world	410	295	+39%
Utlization rates [(b)]			
– Based on crude only	85%	72%	
– Based on crude and other feedstock	88%	76%	

(a) Includes share of TotalErg. Results for refineries in South Africa, the French Antilles and Italy are reported in the Marketing & Services segment.
(b) Based on distillation capacity at the beginning of the year.

Refinery throughput increased by 16% in the first half 2015 compared to the first half 2014. Refinery throughput increased in a more favorable environment, benefiting from the start up of SATORP and a lower level of maintenance in Europe. The good reliability of the sites enabled an increase in throughput to take advantage of attractive margins.

3.2.2. Results

(in millions of dollars except the ERMI)	1H15	1H14	1H15 vs 1H14
European Refining Margin Indicator – ERMI ($/t)	50.6	8.7	x6
Adjusted operating income [(a)]	2,939	696	x4
Adjusted net operating income [(a)]	2,449	747	x3
including Specialty Chemicals [(b)]	*251*	*313*	*-20%*
Investments	899	725	+24%
Divestments	2,640	26	na
Cash flow from operations	2,014	1,460	+38%
Adjusted cash flow from operations	2,946	1,300	x2

(a) Detail of adjustment items shown in the business segment information annex to financial statements.
(b) Hutchinson and Atotech, Bostik until February 2015.

The European Refining Margin Indicator (ERMI) averaged a high level of 50.6 $/t in the first half of 2015, due to strong product demand, particularly gasoline, and significant maintenance activity. Petrochemical margins were also higher, notably due to limited production capacity as a result of numerous shut downs in the industry.

Adjusted net operating income from the Refining & Chemicals segment was 2,449 M$ for the first half 2015, more than three times higher than the first half 2014 in a favorable environment, demonstrating the segment's ability to capture attractive first half 2015 margins by increasing throughput one year after voluntarily reducing throughput in the face of a difficult 2014 environment.

Divestments included the refinancing of SATORP in Saudi Arabia. Following the successful start up of the refinery, one of the most competitive in the world, Total was able to refinance its shareholder loan under favorable conditions.

3.3. Marketing & Services

3.3.1. Petroleum product sales

(sales in kb/d) [(a)]	1H15	1H14	1H15 vs 1H14
Total Marketing & Services sales	1,818	1,742	+4%
Europe	1,091	1,080	+1%
Rest of world	727	662	+10%

(a) Excludes trading and bulk refining sales, includes share of TotalErg.

Petroleum product sales were 4% higher in the first half 2015 compared to the first half 2014, in a more favorable market than last year, which was affected by an unusually mild winter.

3.3.2. Results

(in millions of dollars)	1H15	1H14	1H15 vs 1H14
Sales	40,039	54,683	-27%
Adjusted operating income [(a)]	910	758	+20%
Adjusted net operating income [(a)]	746	633	+18%
including New Energies	*(87)*	*20*	*na*
Investments	651	479	+36%
Divestments	679	54	na
Cash flow from operations	1,023	393	x3
Adjusted cash flow from operations	949	930	+2%

(a) Detail of adjustment items shown in the business segment information annex to financial statements.

Adjusted net operating income from the Marketing & Services segment was 746 M$ in the first half 2015, an increase of 18% compared to the first half 2014.

4. Group results

4.1. Net operating income from business segments

Adjusted net operating income from the business segments was 6,114 M$ in the first half 2015, a decrease of 19% compared to the first half 2014, despite the 47% drop in the Brent price. The Group fully benefited from its cost reduction program, the resilience of the Upstream and the remarkable performance of the Downstream.

The effective tax rate [(1)] for the business segments was 37.4% in the first half 2015 compared to 52.5% in the first half 2014, reflecting mainly the strong Downstream results, which are taxed at a lower rate.

4.2. Net income – Group share

Adjusted net income was 5,687 M$ in the first half 2015 compared to 6,478 M$ in the first half 2014, a decrease of 12% in an environment where the Brent price dropped by 47%.

Adjusted net income excludes the after-tax inventory effect, special items and the impact of changes in fair value [(2)].

In the first half 2015 total adjustments affecting net income (Group share) [(3)] were -53 M$ compared to -39 M$ in the first half 2014.

The number of fully-diluted shares was 2,294 million on June 30, 2015, and 2,284 million on June 30, 2014.

4.3. Divestments – Acquisitions

Asset sales were 3,472 M$ in the first half 2015, comprised mainly of the sales of Bostik, the Group's interests in OML 18 and 29 in Nigeria and Totalgaz.

Acquisitions were 2,777 M$ in the first half 2015, comprised mainly of the entry into the new ADCO concession in the United Arab Emirates and the carry on the Utica gas and condensate field in the United States.

4.4. Cash flow

The Group's net cash flow [(4)] was -1,322 M$ in the first half 2015 compared to -1,376 M$ in the first half 2014, an increase of 4%, showing good resistance to the 47% drop in the Brent price, mainly due to the resilience of the Upstream and the performance of the Downstream. The organic investments are in line with the objective of $23-24 billion for the year.

(1) Tax on adjusted net operating income / (adjusted net operating income – income from equity affiliates – dividends received from investments + tax on adjusted net operating income).
(2) Details shown on page 12.
(3) Details shown on page 8.
(4) Net cash flow = cash flow from operations – net investments (including other transactions with non-controlling interests).

5. TOTAL S.A., parent company accounts

The net income for the parent company, TOTAL S.A., was 3,438 M€ in the first half 2015 compared to 3,397 M€ in the first half 2014.

6. Summary and outlook

After having recovered slightly in the second quarter, oil prices have fallen by about 10% since the beginning of July. In this context, the Group is focused on delivering its new project start ups and implementing cost reductions to sustainably reduce its breakeven and maximize cash flow. The rapid implementation of this industrial response to the weaker environment has already begun to bear fruit in the first half of the year, and it will also underpin the Group's success in the second half and beyond.

In the Upstream, the start-ups of Surmont Phase 2, GLNG and Laggan-Tormore are expected in the second half. Production is expected to increase by more than 8% this year despite the shutdown of Yemen LNG.

In the Downstream, market conditions remained favorable at the start of the third quarter. The increase in demand, notably for gasoline, is positive for refining, without, however, eliminating the overcapacity in the market. Our teams are continuing to reduce costs and adapt the sites, making them resistant to unfavorable environments.

Finally, after announcing the sales of interests in gas fields located in the West of Shetland area in the United Kingdom and in the Schwedt refinery in Germany for a combined amount of 1.2 billion dollars, TOTAL is pursuing discussions for the sale of several other assets.

7. Other information

7.1. Operating information by segment

7.1.1. Upstream

Combined liquids and gas production by region (kboe/d)	1H15	1H14	1H15 vs 1H14
Europe	376	361	+4%
Africa	675	637	+6%
Middle East	508	393	+29%
North America	103	86	+20%
South America	155	158	-2%
Asia-Pacific	256	240	+7%
CIS	274	241	+14%
Total production	**2,347**	**2,116**	**+11%**
includes equity affiliates	560	563	-1%

Liquids production by region (kb/d)	1H15	1H14	1H15 vs 1H14
Europe	160	165	-3%
Africa	540	495	+9%
Middle East	353	197	+79%
North America	44	37	+19%
South America	49	50	-2%
Asia-Pacific	34	29	+17%
CIS	47	34	+38%
Total production	**1,227**	**1,007**	**+22%**
includes equity affiliates	213	202	+5%

Gas production by region (Mcf/d)	1H15	1H14	1H15 vs 1H14
Europe	1,175	1,075	+9%
Africa	675	729	-7%
Middle East	859	1,073	-20%
North America	323	276	+17%
South America	596	605	-1%
Asia-Pacific	1,278	1,194	+7%
CIS	1,204	1,114	+8%
Total production	**6,110**	**6,066**	**+1%**
includes equity affiliates	1,863	1,962	-5%

Liquified natural gas	1H15	1H14	1H15 vs 1H14
LNG sales[a] (Mt)	5.11	6.11	-16%

(a) Sales, Group share, excluding trading; 2014 data restated to reflect volume estimates for Bontang LNG in Indonesia based on the 2014 SEC coefficient.

7.1.2. Downstream (Refining & Chemicals and Marketing & Services)

Petroleum product sales by region (kb/d) [(a)]	1H15	1H14	1H15 vs 1H14
Europe [(b)]	2,078	2,011	+3%
Africa	660	531	+24%
Americas	603	559	+8%
Rest of world	649	592	+10%
Total consolidated sales	**3,990**	**3,693**	**+8%**
Includes bulk sales	630	605	+4%
Includes Trading	1,542	1,346	+15%

(a) Includes share of TotalErg.
(b) Restated historical amounts.

7.2. Adjustment items

7.2.1. Adjustments to operating income

(in millions of dollars)	1H15	1H14
Special items affecting operating income	(1,851)	(177)
– Restructuring charges	-	-
– Impairments	(1,294)	(40)
– Other	(557)	(137)
Pre-tax inventory effect: FIFO vs. replacement cost	478	(64)
Effect of changes in fair value	(6)	(10)
Total adjustments affecting operating income	**(1,379)**	**(251)**

7.2.2. Adjustments to net income (Group share)

(in millions of dollars)	1H15	1H14
Special items affecting net income (Group share)	(377)	26
– Gain (loss) on asset sales	1,329	599
– Restructuring charges	(31)	(5)
– Impairments	(1,354)	(426)
– Other	(321)	(142)
After-tax inventory effect: FIFO vs. replacement cost	328	(57)
Effect of changes in fair value	(4)	(8)
Total adjustments affecting net income	**(53)**	**(39)**

7.3. 2015 sensitivities [(a)]

	Scenario	Change	Impact on adjusted operating income	Impact on adjusted net operating income
Dollar	1.30 $/€	-0.1 $/€	+0.7 B$	+0.2 B$
Brent	60 $/b	+10 $/b	+3.1 B$	+1.7 B$
European Refining Margin Indicator (ERMI)	25 $/t	+1 $/t	+0.08 B$	+0.05 B$

(a) Sensitivities are revised once per year upon publication of the previous year's fourth quarter results. The impact of the $-€ sensitivity on operating income is attributable 60% to Exploration & Production. The impact of the $-€ sensitivity on adjusted net operating income is attributable 90% to Refining & Chemicals. Sensitivities are estimates based on assumptions about the Group's portfolio in 2015. Actual results could vary significantly from estimates based on the application of these sensitivities.

7.4. Investments – Divestments

(in millions of dollars)	1H15	1H14	1H15 vs 1H14
Investments excluding acquisitions	11,217	12,395	-10%
capitalized exploration	*796*	*681*	*+17%*
increase in non-current loans	*1,184*	*1,336*	*-11%*
repayment of non-current loans	*(1,405)*	*(794)*	*+77%*
Acquisitions	2,777	1,399	x2
Asset sales	3,472	1,677	x2
Other transactions with non-controlling interests	81	126	-36%
Net investments [a]	10,441	11,991	-13%

(a) Net investments = investments including acquisitions - asset sales - other transactions with non-controlling interests.

7.5. Net-debt-to-equity ratio

(in millions of dollars)	6/30/2015	6/30/2014
Current borrowings	13,114	13,525
Net current financial assets	(2,351)	(531)
Net financial assets classified as held for sale	(16)	(62)
Non-current financial debt	43,363	39,433
Hedging instruments of non-current debt	(1,157)	(1,973)
Cash and cash equivalents	(27,322)	(22,166)
Net debt	**25,631**	**28,226**
Shareholders' equity – Group share	97,244	102,872
Estimated dividend payable	(1,561)	(1,894)
Non-controlling interests	3,104	3,344
Adjusted shareholders' equity	**98,787**	**104,322**
Net-debt-to-equity ratio	**25.9%**	**27.1%**

7.6. Return on Average Capital Employed

7.6.1. Twelve months ended June 30, 2015

(In millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Group
Adjusted net operating income	7,280	4,191	1,367	12,679
Capital employed at 6/30/2014 [a]	103,572	19,265	10,324	129,967
Capital employed at 6/30/2015 [a]	107,214	12,013	8,234	124,001
ROACE	**6.9%**	**26.8%**	**14.7%**	**10.0%**

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

7.6.2. Twelve months ended March 31, 2015

(In millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Group
Adjusted net operating income	8,771	3,243	1,314	12,780
Capital employed at 3/31/2014 [a]	97,924	18,516	10,314	126,068
Capital employed at 3/31/2015 [a]	103,167	12,534	7,928	123,218
ROACE	**8.7%**	**20.9%**	**14.4%**	**10.3%**

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

7.6.3. Twelve months ended December 31, 2014

(In millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Group
Adjusted net operating income	10,504	2,489	1,254	13,530
Capital employed at 12/31/2013 [a]	95,529	19,752	10,051	122,451
Capital employed at 12/31/2014 [a]	100,497	13,451	8,825	120,526
ROACE	**10.7%**	**15.0%**	**13.3%**	**11.1%**

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

8. Principal risks and uncertainties for the remaining six months of 2015

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 Registration Document filed with the *Autorité des marchés financiers* (French Financial Markets Authority) on March 26, 2015.

These conditions are subject to change not only in the six months remaining in the financial year but also in the years to come. Additionally, a description of certain risks is included in the notes to the consolidated accounts for the first half of 2015 on pages 26 to 29 and 40 of this report.

9. Principal transactions with related parties

Information concerning the principal transactions with related parties since January 1, 2015, is provided in section 6 of the notes to the Consolidated Financial Statements for the first six months of 2015, on page 26 of this 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 currency fluctuations, the price of petroleum products, the ability to realize cost reductions and operating efficiencies without unduly disrupting business operations, environmental regulatory considerations and general economic and 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 Company's financial results or the Group's activities is provided in the most recent Registration Document 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. 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. 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, 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, excluding the effect of changes in fair value.

Euro amounts presented herein 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 presentation, such as 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.

Consolidated Financial Statements

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 is provided solely for the convenience of English-speaking users. This report 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, 2015

To the Shareholders,

In compliance with the assignment entrusted to us by your 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, 2015;
- the verification of the information presented in the half-yearly Management Report.

These condensed half-yearly Consolidated Financial Statements are the responsibility of your Chief Executive Officer and are reviewed by your Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I- 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.

II- 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 28, 2015

The statutory auditors
French original signed by

KPMG Audit A division of KPMG S.A.		ERNST & YOUNG Audit	
Michel Piette Partner	Valérie Besson Partner	Yvon Salaün Partner	Laurent Miannay Partner

2. Consolidated statement of income

TOTAL

(in millions of dollars)[a]	1st half 2015	1st half 2014
Sales	**87,028**	**123,248**
Excise taxes	(10,796)	(12,186)
Revenues from sales	76,232	111,062
Purchases, net of inventory variation	(50,557)	(78,703)
Other operating expenses	(12,303)	(14,593)
Exploration costs	(989)	(920)
Depreciation, depletion and amortization of tangible assets and mineral interests	(6,703)	(5,674)
Other income	2,343	1,196
Other expense	(838)	(312)
Financial interest on debt	(493)	(467)
Financial income from marketable securities & cash equivalents	59	50
Cost of net debt	(434)	(417)
Other financial income	397	426
Other financial expense	(329)	(349)
Equity in net income (loss) of affiliates	1,275	1,347
Income taxes	(2,573)	(6,499)
Consolidated net income	**5,521**	**6,564**
Group share	5,634	6,439
Non-controlling interests	(113)	125
Earnings per share ($)	2.46	2.84
Fully-diluted earnings per share ($)	2.45	2.82

(a) Except for per share amounts.

3. Consolidated statement of comprehensive income

TOTAL

(in millions of dollars)	1st half 2015	1st half 2014
Consolidated net income	**5,521**	**6,564**
Other comprehensive income		
Actuarial gains and losses	153	(615)
Tax effect	(117)	211
Currency translation adjustment generated by the parent company	(5,229)	(729)
Items not potentially reclassifiable to profit and loss	**(5,193)**	**(1,133)**
Currency translation adjustment	2,588	548
Available for sale financial assets	(4)	(3)
Cash flow hedge	(94)	65
Share of other comprehensive income of equity affiliates, net amount	841	(20)
Other	1	(7)
Tax effect	29	(18)
Items potentially reclassifiable to profit and loss	**3,361**	**565**
Total other comprehensive income (net amount)	**(1,832)**	**(568)**
Comprehensive income	**3,689**	**5,996**
Group share	*3,833*	*5,879*
Non-controlling interests	*(144)*	*117*

4. Consolidated statement of income

TOTAL

(in millions of dollars)[a]	2nd quarter 2015	1st quarter 2015	2nd quarter 2014
Sales	**44,715**	**42,313**	**62,561**
Excise taxes	(5,446)	(5,350)	(6,354)
Revenues from sales	39,269	36,963	56,207
Purchases, net of inventory variation [b]	(26,353)	(24,204)	(40,371)
Other operating expenses	(6,031)	(6,272)	(7,229)
Exploration costs	(352)	(637)	(301)
Depreciation, depletion and amortization of tangible assets and mineral interests	(2,831)	(3,872)	(2,929)
Other income	722	1,621	96
Other expense	(396)	(442)	(163)
Financial interest on debt	(231)	(262)	(266)
Financial income from marketable securities & cash equivalents	28	31	31
Cost of net debt	(203)	(231)	(235)
Other financial income	255	142	265
Other financial expense	(163)	(166)	(183)
Equity in net income (loss) of affiliates	685	590	874
Income taxes [b]	(1,589)	(984)	(2,902)
Consolidated net income	**3,013**	**2,508**	**3,129**
Group share	2,971	2,663	3,104
Non-controlling interests	42	(155)	25
Earnings per share ($)	1.29	1.16	1.37
Fully-diluted earnings per share ($)	1.29	1.16	1.36

(a) Except for per share amounts.
(b) During the second quarter of 2015, the Group revised the classification in the statement of income of certain taxes related to its participation in the ADCO concession, effective since January 1, 2015. These taxes are now accounted for as operating taxes and were therefore reclassified for $498 million from “Income taxes” to “Purchases, net of inventory variation” for the first quarter of 2015. This reclassification has no impact on net income.

5. Consolidated statement of comprehensive income

TOTAL

(in millions of dollars)	2nd quarter 2015	1st quarter 2015	2nd quarter 2014
Consolidated net income	**3,013**	**2,508**	**3,129**
Other comprehensive income			
Actuarial gains and losses	248	(95)	(416)
Tax effect	(81)	(36)	154
Currency translation adjustment generated by the parent company	2,963	(8,192)	(732)
Items not potentially reclassifiable to profit and loss	**3,130**	**(8,323)**	**(994)**
Currency translation adjustment	(1,160)	3,748	512
Available for sale financial assets	(12)	8	(6)
Cash flow hedge	36	(130)	30
Share of other comprehensive income of equity affiliates, net amount	(201)	1,042	436
Other	(2)	3	(4)
Tax effect	(8)	37	(5)
Items potentially reclassifiable to profit and loss	**(1,347)**	**4,708**	**963**
Total other comprehensive income (net amount)	**1,783**	**(3,615)**	**(31)**
Comprehensive income	**4,796**	**(1,107)**	**3,098**
Group share	*4,749*	*(916)*	*3,078*
Non-controlling interests	*47*	*(191)*	*20*

6. Consolidated balance sheet

TOTAL

ASSETS

(in millions of dollars)	6/30/2015 (unaudited)	3/31/2015 (unaudited)	12/31/2014	6/30/2014 (unaudited)
Non-current assets				
Intangible assets, net	16,101	16,236	14,682	18,995
Property, plant and equipment, net	110,023	105,806	106,876	108,468
Equity affiliates: investments and loans	19,380	19,552	19,274	21,256
Other investments	1,248	1,325	1,399	1,786
Hedging instruments of non-current financial debt	1,157	1,275	1,319	1,973
Deferred income taxes	3,145	3,435	4,079	2,842
Other non-current assets	4,047	4,093	4,192	4,263
Total non-current assets	**155,101**	**151,722**	**151,821**	**159,583**
Current assets				
Inventories, net	17,373	15,393	15,196	23,484
Accounts receivable, net	14,415	15,458	15,704	21,698
Other current assets	15,072	14,576	15,702	16,519
Current financial assets	2,439	2,464	1,293	1,003
Cash and cash equivalents	27,322	25,051	25,181	22,166
Assets classified as held for sale	2,754	3,257	4,901	4,317
Total current assets	**79,375**	**76,199**	**77,977**	**89,187**
Total assets	**234,476**	**227,921**	**229,798**	**248,770**

LIABILITIES & SHAREHOLDERS' EQUITY

(in millions of dollars)	6/30/2015 (unaudited)	3/31/2015 (unaudited)	12/31/2014	6/30/2014 (unaudited)
Shareholders' equity				
Common shares	7,549	7,519	7,518	7,511
Paid-in surplus and retained earnings	103,286	102,755	94,646	101,100
Currency translation adjustment	(9,243)	(10,830)	(7,480)	(1,436)
Treasury shares	(4,348)	(4,348)	(4,354)	(4,303)
Total shareholders' equity – Group share	**97,244**	**95,096**	**90,330**	**102,872**
Non-controlling interests	**3,104**	**3,024**	**3,201**	**3,344**
Total shareholders' equity	**100,348**	**98,120**	**93,531**	**106,216**
Non-current liabilities				
Deferred income taxes	13,458	13,557	14,810	16,397
Employee benefits	4,426	4,483	4,758	4,725
Provisions and other non-current liabilities	17,353	17,050	17,545	17,445
Non-current financial debt	43,363	41,827	45,481	39,433
Total non-current liabilities	**78,600**	**76,917**	**82,594**	**78,000**
Current liabilities				
Accounts payable	22,469	22,043	24,150	28,902
Other creditors and accrued liabilities	18,718	15,750	16,641	19,994
Current borrowings	13,114	13,604	10,942	13,525
Other current financial liabilities	88	202	180	472
Liabilities directly associated with the assets classified as held for sale	1,139	1,285	1,760	1,661
Total current liabilities	**55,528**	**52,884**	**53,673**	**64,554**
Total liabilities and shareholders' equity	**234,476**	**227,921**	**229,798**	**248,770**

7. Consolidated statement of cash flow

TOTAL

(unaudited) (in millions of dollars)	1st half 2015	1st half 2014
CASH FLOW FROM OPERATING ACTIVITIES		
Consolidated net income	5,521	6,564
Depreciation, depletion and amortization	7,537	6,261
Non-current liabilities, valuation allowances and deferred taxes	(161)	243
Impact of coverage of pension benefit plans	-	-
(Gains) losses on disposals of assets	(1,816)	(1,040)
Undistributed affiliates' equity earnings	(289)	(114)
(Increase) decrease in working capital	(1,311)	(1,456)
Other changes, net	(362)	157
Cash flow from operating activities	**9,119**	**10,615**
CASH FLOW USED IN INVESTING ACTIVITIES		
Intangible assets and property, plant and equipment additions	(13,947)	(12,248)
Acquisitions of subsidiaries, net of cash acquired	(10)	(414)
Investments in equity affiliates and other securities	(258)	(590)
Increase in non-current loans	(1,184)	(1,336)
Total expenditures	**(15,399)**	**(14,588)**
Proceeds from disposals of intangible assets and property, plant and equipment	1,180	1,155
Proceeds from disposals of subsidiaries, net of cash sold	2,161	-
Proceeds from disposals of non-current investments	131	522
Repayment of non-current loans	1,405	794
Total divestments	**4,877**	**2,471**
Cash flow used in investing activities	**(10,522)**	**(12,117)**
CASH FLOW USED IN FINANCING ACTIVITIES		
Issuance (repayment) of shares:		
– Parent company shareholders	450	337
– Treasury shares	-	-
Dividends paid:		
– Parent company shareholders	(1,572)	(3,736)
– Non-controlling interests	(72)	(146)
Issuance of perpetual subordinated notes	5,616	-
Payments on perpetual subordinated notes	-	-
Other transactions with non-controlling interests	81	126
Net issuance (repayment) of non-current debt	1,771	7,120
Increase (decrease) in current borrowings	(89)	(211)
Increase (decrease) in current financial assets and liabilities	(1,101)	(52)
Cash flow used in financing activities	**5,084**	**3,438**
Net increase (decrease) in cash and cash equivalents	**3,681**	**1,936**
Effect of exchange rates	(1,540)	30
Cash and cash equivalents at the beginning of the period	25,181	20,200
Cash and cash equivalents at the end of the period	**27,322**	**22,166**

8. Consolidated statement of cash flow

TOTAL

(unaudited) (in millions of dollars)	2nd quarter 2015	1st quarter 2015	2nd quarter 2014
CASH FLOW FROM OPERATING ACTIVITIES			
Consolidated net income	3,013	2,508	3,129
Depreciation, depletion and amortization	3,113	4,424	3,087
Non-current liabilities, valuation allowances and deferred taxes	285	(446)	(156)
Impact of coverage of pension benefit plans	-	-	-
(Gains) losses on disposals of assets	(459)	(1,357)	(17)
Undistributed affiliates' equity earnings	(221)	(68)	(125)
(Increase) decrease in working capital	(835)	(476)	(771)
Other changes, net	(164)	(198)	130
Cash flow from operating activities	**4,732**	**4,387**	**5,277**
CASH FLOW USED IN INVESTING ACTIVITIES			
Intangible assets and property, plant and equipment additions	(5,991)	(7,956)	(6,800)
Acquisitions of subsidiaries, net of cash acquired	(3)	(7)	(414)
Investments in equity affiliates and other securities	(205)	(53)	(434)
Increase in non-current loans	(391)	(793)	(1,075)
Total expenditures	**(6,590)**	**(8,809)**	**(8,723)**
Proceeds from disposals of intangible assets and property, plant and equipment	221	959	135
Proceeds from disposals of subsidiaries, net of cash sold	403	1,758	-
Proceeds from disposals of non-current investments	109	22	66
Repayment of non-current loans	1,160	245	430
Total divestments	**1,893**	**2,984**	**631**
Cash flow used in investing activities	**(4,697)**	**(5,825)**	**(8,092)**
CASH FLOW USED IN FINANCING ACTIVITIES			
Issuance (repayment) of shares:			
- Parent company shareholders	438	12	304
– Treasury shares	-	-	-
Dividends paid:			
– Parent company shareholders	(6)	(1,566)	(1,901)
– Non-controlling interests	(70)	(2)	(139)
Issuance of perpetual subordinated notes	-	5,616	-
Payments on perpetual subordinated notes	-	-	-
Other transactions with non-controlling interests	81	-	126
Net issuance (repayment) of non-current debt	1,635	136	2,931
Increase (decrease) in current borrowings	(512)	423	956
Increase (decrease) in current financial assets and liabilities	(79)	(1,022)	65
Cash flow used in financing activities	**1,487**	**3,597**	**2,342**
Net increase (decrease) in cash and cash equivalents	**1,522**	**2,159**	**(473)**
Effect of exchange rates	749	(2,289)	(148)
Cash and cash equivalents at the beginning of the period	25,051	25,181	22,787
Cash and cash equivalents at the end of the period	**27,322**	**25,051**	**22,166**

9. Consolidated statement of changes in shareholders' equity

TOTAL

(unaudited) (in millions of dollars)	Common shares issued		Paid-in surplus and retained earnings	Currency translation adjustment	Treasury shares		Shareholders' equity - Group share	Non-controlling interests	Total shareholders' equity
	Number	Amount			Number	Amount			
As of January 1, 2014	**2,377,678,160**	**7,493**	**98,254**	**(1,203)**	**(109,214,448)**	**(4,303)**	**100,241**	**3,138**	**103,379**
Net income of the first half 2014	-	-	6,439	-	-	-	6,439	125	6,564
Other comprehensive Income	-	-	(329)	(231)	-	-	(560)	(8)	(568)
Comprehensive Income	**-**	**-**	**6,110**	**(231)**	**-**	**-**	**5,879**	**117**	**5,996**
Dividend	-	-	(3,794)	-	-	-	(3,794)	(146)	(3,940)
Issuance of common shares	5,192,417	18	319	-	-	-	337	-	337
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Sale of treasury shares [(a)]	-	-	-	-	7,200	-	-	-	-
Share-based payments	-	-	82	-	-	-	82	-	82
Share cancellation	-	-	-	-	-	-	-	-	-
Issuance of perpetual subordinated notes	-	-	-	-	-	-	-	-	-
Payments on perpetual subordinated notes	-	-	-	-	-	-	-	-	-
Other operations with non-controlling interests	-	-	128	(2)	-	-	126	183	309
Other items	-	-	1	-	-	-	1	52	53
As of June 30, 2014	**2,382,870,577**	**7,511**	**101,100**	**(1,436)**	**(109,207,248)**	**(4,303)**	**102,872**	**3,344**	**106,216**
Net income from July 1 to December 31, 2014	-	-	(2,195)	-	-	-	(2,195)	(119)	(2,314)
Other comprehensive Income	-	-	(578)	(6,044)	-	-	(6,622)	(35)	(6,657)
Comprehensive Income	**-**	**-**	**(2,773)**	**(6,044)**	**-**	**-**	**(8,817)**	**(154)**	**(8,971)**
Dividend	-	-	(3,584)	-	-	-	(3,584)	(8)	(3,592)
Issuance of common shares	2,396,948	7	76	-	-	-	83	-	83
Purchase of treasury shares	-	-	-	-	(4,386,300)	(283)	(283)	-	(283)
Sale of treasury shares [(a)]	-	-	(232)	-	4,232,135	232	-	-	-
Share-based payments	-	-	32	-	-	-	32	-	32
Share cancellation	-	-	-	-	-	-	-	-	-
Issuance of perpetual subordinated notes	-	-	-	-	-	-	-	-	-
Payments on perpetual subordinated notes	-	-	-	-	-	-	-	-	-
Other operations with non-controlling interests	-	-	20	-	-	-	20	12	32
Other items	-	-	7	-	-	-	7	7	14
As of December 31, 2014	**2,385,267,525**	**7,518**	**94,646**	**(7,480)**	**(109,361,413)**	**(4,354)**	**90,330**	**3,201**	**93,531**
Net income of the first half 2015	-	-	5,634	-	-	-	5,634	(113)	5,521
Other comprehensive Income	-	-	(38)	(1,763)	-	-	(1,801)	(31)	(1,832)
Comprehensive Income	**-**	**-**	**5,596**	**(1,763)**	**-**	**-**	**3,833**	**(144)**	**3,689**
Dividend	-	-	(3,123)	-	-	-	(3,123)	(72)	(3,195)
Issuance of common shares	11,092,565	31	419	-	-	-	450	-	450
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Sale of treasury shares [(a)]	-	-	(6)	-	103,150	6	-	-	-
Share-based payments	-	-	69	-	-	-	69	-	69
Share cancellation	-	-	-	-	-	-	-	-	-
Issuance of perpetual subordinated notes	-	-	5,616	-	-	-	5,616	-	5,616
Payments on perpetual subordinated notes	-	-	(31)	-	-	-	(31)	-	(31)
Other operations with non-controlling interests	-	-	21	-	-	-	21	57	78
Other items	-	-	79	-	-	-	79	62	141
As of June 30, 2015	**2,396,360,090**	**7,549**	**103,286**	**(9,243)**	**(109,258,263)**	**(4,348)**	**97,244**	**3,104**	**100,348**

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

10. Notes to the Consolidated Financial Statements for the first six months of 2015

(unaudited)

1) Accounting policies

The interim Consolidated Financial Statements of TOTAL S.A. and its subsidiaries (the Group) as of June 30, 2015 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 June 30, 2015 do not differ significantly from those applied for the Consolidated Financial Statements as of December 31, 2014 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, 2015 did not have a material impact on the Group's Consolidated Financial Statements as of June 30, 2015.

The preparation of financial statements in accordance with IFRS requires the executive management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of preparation of the financial statements and reported income and expenses for the period. The management reviews these estimates and assumptions on an ongoing basis, by reference to past experience and various other factors considered as reasonable which form the basis for assessing the carrying amount of assets and liabilities. Actual results may differ significantly from these estimates, if different assumptions or circumstances apply. These judgments and estimates relate principally to the application of the successful efforts method for the oil and gas accounting, the valuation of long-lived assets, the provisions for asset retirement obligations and environmental remediation, the pensions and post-retirement benefits and the income tax computation. These estimates and assumptions are described in the Notes to the Consolidated Financial Statements as of December 31, 2014.

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 January 2015, TOTAL was granted a 10% interest in the new ADCO concession in Abu Dhabi (United Arab Emirates) for a duration of 40 years, effective January 1, 2015.
- TOTAL completed in March 2015 the sale of its entire stake in onshore Oil Mining Lease (OML) 29 to Aiteo Eastern E&P, a Nigerian company, for an amount of $569 million.

Refining & Chemicals

- In February 2015, TOTAL sold its Bostik adhesives activity to Arkema for an amount of $1,746 million.

Marketing & Services

- In May 2015, TOTAL sold 100% of Totalgaz, distributor of Liquefied Petroleum Gas (LPG) in France to the U.S. company UGI Corporation, the parent company of Antargaz.

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

(in millions of dollars)		Upstream	Refining & Chemicals	Marketing & Services	Corporate	Total
2nd quarter 2015	Inventory valuation effect	-	199	51	-	250
	Effect of changes in fair value	(10)	-	-	-	(10)
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	(194)	(31)	(23)	-	(248)
	Other items	(150)	(76)	-	-	(226)
Total		**(354)**	**92**	**28**	**-**	**(234)**
2nd quarter 2014	Inventory valuation effect	-	122	(5)	-	117
	Effect of changes in fair value	(36)	-	-	-	(36)
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	-	(40)	-	-	(40)
	Other items	-	-	(22)	-	(22)
Total		**(36)**	**82**	**(27)**	**-**	**19**
1st half 2015	Inventory valuation effect	-	434	44	-	478
	Effect of changes in fair value	(6)	-	-	-	(6)
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	(1,240)	(31)	(23)	-	(1,294)
	Other items	(440)	(117)	-	-	(557)
Total		**(1,686)**	**286**	**21**	**-**	**(1,379)**
1st half 2014	Inventory valuation effect	-	(41)	(23)	-	(64)
	Effect of changes in fair value	(10)	-	-	-	(10)
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	-	(40)	-	-	(40)
	Other items	(115)	-	(22)	-	(137)
Total		**(125)**	**(81)**	**(45)**	**-**	**(251)**

ADJUSTMENTS TO NET INCOME GROUP SHARE

(in millions of dollars)		Upstream	Refining & Chemicals	Marketing & Services	Corporate	Total
2nd quarter 2015	Inventory valuation effect	-	138	36	-	174
	Effect of changes in fair value	(6)	-	-	-	(6)
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	(194)	(31)	(20)	-	(245)
	Gains (losses) on disposals of assets	(29)	(4)	360	-	327
	Other items	(280)	(82)	(2)	-	(364)
Total		**(509)**	**21**	**374**	**-**	**(114)**
2nd quarter 2014	Inventory valuation effect	-	77	3	-	80
	Effect of changes in fair value	(29)	-	-	-	(29)
	Restructuring charges	-	(1)	(4)	-	(5)
	Asset impairment charges	-	(76)	-	-	(76)
	Gains (losses) on disposals of assets	-	-	-	-	-
	Other items	-	-	(17)	-	(17)
Total		**(29)**	**-**	**(18)**	**-**	**(47)**
1st half 2015	Inventory valuation effect	-	288	40	-	328
	Effect of changes in fair value	(4)	-	-	-	(4)
	Restructuring charges	-	(26)	(5)	-	(31)
	Asset impairment charges	(1,286)	(31)	(37)	-	(1,354)
	Gains (losses) on disposals of assets	299	670	360	-	1,329
	Other items	(140)	(135)	(46)	-	(321)
Total		**(1,131)**	**766**	**312**	**-**	**(53)**
1st half 2014	Inventory valuation effect	-	(34)	(23)	-	(57)
	Effect of changes in fair value	(8)	-	-	-	(8)
	Restructuring charges	-	(1)	(4)	-	(5)
	Asset impairment charges	(350)	(76)	-	-	(426)
	Gains (losses) on disposals of assets	599	-	-	-	599
	Other items	(115)	(10)	(17)	-	(142)
Total		**126**	**(121)**	**(44)**	**-**	**(39)**

During the first half of 2015, the Group recognized impairment charges in the Upstream Segment. Due to a significant deterioration in the safety conditions during the first quarter, some of its assets have been impaired in Libya ($(757) million in operating income, $(661) million in net income, Group share) and in Yemen ($(107) million in operating income, $(93) million in net income, Group share). In addition, in an unfavorable economic environment the Group decided during the first half of 2015 to discontinue the development of certain assets, that have therefore been impaired. Finally, new negotiations with Exxaro Resources Ltd took place in July 2015 for the sale of TOTAL's 100% stake in Total Coal South Africa, following which an impairment loss was recognized over the assets of this entity, which appear in "assets classified as held for sale" in the consolidated balance sheet.

In the Upstream Segment, the heading "Other Items" includes charges for impaired assets in Yemen and Libya ($(440) million in operating income, $(378) million in net income, Group share), the impact of a litigation in Qatar ($(162) million in net income, Group share) and the impact of the UK tax changes on deferred tax, for an amount of $424 million. This follows the vote on the 2015 budget by Parliament, which included a decrease in the rate of the Supplementary Charge from 32% to 20%, with retroactive effect from January 1, 2015 and a decrease in the rate of Petroleum Revenue Tax from 50% to 35% as of January 1, 2016.

The heading "Gains on disposals of assets" includes the impacts of the sales of Bostik, Totalgaz and OML 29 in Nigeria.

4) Shareholders' equity

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

As of June 30, 2015, TOTAL S.A. held 8,926,995 of its own shares, representing 0.37% of its share capital, detailed as follows:

– 8,844,030 shares allocated to TOTAL share grant plans for Group employees;

– 82,965 shares intended to be allocated to new TOTAL share purchase option plans or to new share grant plans.

These shares were deducted from the consolidated shareholders' equity.

TOTAL shares held by Group subsidiaries

As of June 30, 2015, TOTAL S.A. held indirectly through its subsidiaries 100,331,268 of its own shares, representing 4.19% 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

The Shareholders' Meeting on May 29, 2015 approved the payment of a dividend of €2.44 per share for the 2014 fiscal year. Taking into account the three quarterly dividends of €0.61 per share that have already been paid on September 26 2014, December 17, 2014 and March 25, 2015, the remaining balance of €0.61 per share was paid on July 1, 2015. The Shareholders' Meeting on May 29, 2015, approved the option for shareholders to receive the fourth quarter dividend in shares or in cash. The number of shares issued in lieu of the cash dividend will be based on the dividend amount divided by €42.02 per share, equal to 90% of the average Euronext Paris opening price of the shares for the 20 Trading days preceding the shareholders meeting reduced by the amount of the dividend remainder. On July 1, 2015, 18,609,466 shares have been issued at a price of €42.02 per share.

Another resolution has been approved at the Shareholders' Meeting on May 29, 2015, being that if one or more interim dividends are decided by the Board of Directors for the fiscal year 2015, then shareholders have the option to receive this or these interim dividends in shares or in cash.

A first interim dividend for the fiscal year 2015 of €0.61 per share, decided by the Board of Directors on April 27, 2015 would be paid on October 21, 2015 (the ex-dividend date will be September 28, 2015).

A second interim dividend for the fiscal year 2015 of €0.61 per share, decided by the Board of Directors on July 28, 2015, would be paid on January 14, 2016 (the ex-dividend date will be December 21, 2015).

Issuance of perpetual subordinated notes

The Group issued notes through TOTAL S.A., during the first six months of 2015:

– Deeply subordinated note 2.250% perpetual maturity callable after 6 years (2,500 million EUR);

– Deeply subordinated note 2.625% perpetual maturity callable after 10 years (2,500 million EUR);

Based on their characteristics and in compliance with the IAS 32 standard, these notes were recorded in equity.

Earnings per share

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 1.17 € per share for the 2nd quarter 2015 (1.03 € per share for the 1st quarter 2015 and 1.00 € per share for the 2nd quarter 2014). Diluted earnings per share calculated using the same method amounted to 1.17 € per share for the 2nd quarter 2015 (1.03 € per share for the 1st quarter 2015 and 0.99 € per share for the 2nd quarter 2014).

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:

(in millions of dollars)	1st half 2015		1st half 2014	
Actuarial gains and losses		153		(615)
Tax effect		(117)		211
Currency translation adjustment generated by the parent company		(5,229)		(729)
Items not potentially reclassifiable to profit and loss		**(5,193)**		**(1,133)**
Currency translation adjustment		**2,588**		**548**
– unrealized gain/(loss) of the period	3,044		549	
– less gain/(loss) included in net income	456		1	
Available for sale financial assets		**(4)**		**(3)**
– unrealized gain/(loss) of the period	2		(12)	
– less gain/(loss) included in net income	6		(9)	
Cash flow hedge		**(94)**		**65**
– unrealized gain/(loss) of the period	(314)		(17)	
– less gain/(loss) included in net income	(220)		(82)	
Share of other comprehensive income of equity affiliates, net amount		**841**		**(20)**
Other		**1**		**(7)**
– unrealized gain/(loss) of the period	1		(7)	
– less gain/(loss) included in net income	-		-	
Tax effect		**29**		**(18)**
Items potentially reclassifiable to profit and loss		**3,361**		**565**
Total other comprehensive income, net amount		**(1,832)**		**(568)**

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

(in millions of dollars)	1st half 2015			1st half 2014		
	Pre-tax amount	Tax effect	Net amount	Pre-tax amount	Tax effect	Net amount
Actuarial gains and losses	153	(117)	36	(615)	211	(404)
Currency translation adjustment generated by the parent company	(5,229)	-	(5,229)	(729)	-	(729)
Items not potentially reclassifiable to profit and loss	**(5,076)**	**(117)**	**(5,193)**	**(1,344)**	**211**	**(1,133)**
Currency translation adjustment	2,588	-	2,588	548	-	548
Available for sale financial assets	(4)	-	(4)	(3)	3	-
Cash flow hedge	(94)	29	(65)	65	(21)	44
Share of other comprehensive income of equity affiliates, net amount	841	-	841	(20)	-	(20)
Other	1	-	1	(7)	-	(7)
Items potentially reclassifiable to profit and loss	**3,332**	**29**	**3,361**	**583**	**(18)**	**565**
Total other comprehensive income	**(1,744)**	**(88)**	**(1,832)**	**(761)**	**193**	**(568)**

5) Financial debt

The Group issued bonds through its subsidiary Total Capital International, during the first six months of 2015:

- Bond 0.500% 2015-2027 (200 million CHF)
- Bond 2.250% 2015-2022 (250 million GBP)

The Group reimbursed bonds during the first six months of 2015:

- Bond 6.000% 2009-2015 (150 million AUD)
- Bond 6.000% 2010-2015 (100 million AUD)
- Bond 2.875% 2010-2015 (250 million USD)
- Bond 6.000% 2010-2015 (100 million AUD)
- Bond 6.000% 2010-2015 (100 million AUD)
- Bond 3.625% 2009-2015 (550 million EUR)
- Bond 3.000% 2010-2015 (1,250 million USD)

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 six months of 2015.

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.

Antitrust investigations

The principal antitrust proceedings in which the Group's companies are involved are described below.

Refining & Chemicals segment

As part of the spin-off of Arkema [1] in 2006, TOTAL S.A. and certain other Group companies agreed to grant Arkema for a period of ten years a guarantee for potential monetary consequences related to antitrust proceedings arising from events prior to the spin-off. As of December 31, 2013, all public and civil proceedings covered by the guarantee were definitively resolved in Europe and in the United States. Despite the fact that Arkema has implemented since 2001

(1) Arkema is used in this section to designate those companies of the Arkema group whose ultimate parent company is Arkema S.A. Arkema became an independent company after being spun-off from TOTAL S.A. in May 2006.

compliance procedures that are designed to prevent its employees from violating antitrust provisions, it is not possible to exclude the possibility that the relevant authorities could commence additional proceedings involving Arkema regarding events prior to the spin-off.

Marketing & Services segment

- Following the appeal lodged by the Group's companies against the European Commission's 2008 decision fining Total Marketing & Services an amount of €128.2 million in relation to practices regarding a product line of the Marketing & Services segment, which the company had already paid, and concerning which TOTAL S.A. was declared jointly liable as the parent company, the relevant European court decided during the third quarter of 2013 to reduce the fine imposed on Total Marketing & Services to €125.5 million without modifying the liability of TOTAL S.A. as parent company. Appeals have been lodged against this judgment.
- In the Netherlands, a civil proceeding was initiated against TOTAL S.A., Total Marketing & Services and other companies by third parties alleging damages in connection with practices already sanctioned by the European Commission. At this stage, it appears this matter should not have material financial consequences for the concerned Group companies.
- Finally, in Italy, in 2013, a civil proceeding was initiated 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 procedure follows practices that had been sanctioned by the Italian competition authority in 2006. The parties have exchanged preliminary deeds; the existence and the assessment of the alleged damages in this procedure involving multiple defendants remain strongly contested.

Whatever the evolution of the proceedings described above, the Group believes that their outcome should not have a material adverse effect on the Group's financial situation or consolidated results.

Grande Paroisse

An explosion occurred at the Grande Paroisse industrial site in the city of Toulouse in France on September 21, 2001. Grande Paroisse, a former subsidiary of Atofina which became a subsidiary of Elf Aquitaine Fertilisants on December 31, 2004, as part of the reorganization of the Chemicals Segment, was principally engaged in the production and sale of agricultural fertilizers. The explosion, which involved a stockpile of ammonium nitrate pellets, destroyed a portion of the site and caused the death of thirty-one people, including twenty-one workers at the site, and injured many others. The explosion also caused significant damage to certain property in part of the city of Toulouse.

This plant has been closed and individual assistance packages have been provided for employees. The site has been rehabilitated.

On December 14, 2006, Grande Paroisse signed, under the supervision of the city of Toulouse, a deed whereby it donated the former site of the AZF plant to the greater agglomeration of Toulouse (CAGT) and the *Caisse des dépôts et consignations* and its subsidiary ICADE. Under this deed, TOTAL S.A. guaranteed the site remediation obligations of Grande Paroisse and granted a €10 million endowment to the InNaBioSanté research foundation as part of the setting up of a cancer research center at the site by the city of Toulouse.

After having articulated several hypotheses, the Court-appointed experts did not maintain in their final report filed on May 11, 2006, that the accident was caused by pouring a large quantity of a chlorine compound over ammonium nitrate. Instead, the experts have retained a scenario where a container of chlorine compound sweepings was poured between a layer of wet ammonium nitrate covering the floor and a quantity of dry agricultural nitrate at a location not far from the principal storage site. This is claimed to have caused an explosion which then spread into the main storage site. Grande Paroisse was investigated based on this new hypothesis in 2006; Grande Paroisse is contesting this explanation, which it believes to be based on elements that are not factually accurate.

On July 9, 2007, the investigating magistrate brought charges against Grande Paroisse and the former Plant Manager before the Toulouse Criminal Court. In late 2008, TOTAL S.A. and Mr. Thierry Desmarest, Chairman and CEO at the time of the event, were summoned to appear in Court pursuant to a request by a victims association.

On November 19, 2009, the Toulouse Criminal Court acquitted both the former Plant Manager, and Grande Paroisse due to the lack of reliable evidence for the explosion. The Court also ruled that the summonses against TOTAL S.A. and Mr. Thierry Desmarest were inadmissible.

Due to the presumption of civil liability that applied to Grande Paroisse, the Court declared Grande Paroisse civilly liable for the damages caused by the explosion to the victims in its capacity as custodian and operator of the plant.

The Prosecutor's office, together with certain third parties, appealed the Toulouse Criminal Court verdict. In order to preserve its rights, Grande Paroisse lodged a cross-appeal with respect to civil charges.

By its decision of September 24, 2012, the Court of Appeal of Toulouse (Cour d'appel de Toulouse) upheld the lower court verdict pursuant to which the summonses against TOTAL S.A. and Mr. Thierry Desmarest were determined to be inadmissible. This element of the decision has been appealed by certain third parties before the French Supreme Court (*Cour de cassation*).

The Court of Appeal considered, however, that the explosion was the result of the chemical accident described by the court-appointed experts. Accordingly, it convicted the former Plant Manager and Grande Paroisse. This element of the decision has been appealed by the former Plant Manager and Grande Paroisse before the French Supreme Court (*Cour de cassation*), which has the effect of suspending their criminal sentences.

On January 13, 2015, the French Supreme Court (*Cour de cassation*) fully quashed the decision of September 24, 2012. The impugned decision is set aside and the parties find themselves in the position they were in before the decision was rendered. The case is referred back to the Court of Appeal of Paris for a new criminal trial. The trial date has not yet been set.

A compensation mechanism for victims was set up immediately following the explosion. €2.3 billion was paid for the compensation of claims and related expenses amounts. A €8.3 million reserve remains booked in the Group's Consolidated Financial Statements as of June 30, 2015.

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.

Iran

In 2003, the United States Securities and Exchange Commission (SEC) followed by the Department of Justice (DoJ) issued a formal order directing an investigation in connection with the pursuit of business in Iran by certain oil companies including, among others, TOTAL.

The inquiry concerned an agreement concluded by the Company with consultants concerning gas fields in Iran and aimed at verifying whether certain payments made under this agreement would have benefited Iranian officials in violation of the Foreign Corrupt Practices Act (FCPA) and the Company's accounting obligations.

In late May 2013, and after several years of discussions, TOTAL reached settlements with the U.S. authorities (a Deferred Prosecution Agreement with the DoJ and a Cease and Desist Order with the SEC). These settlements, which put an end to these investigations, were concluded without admission of guilt and in exchange for TOTAL respecting a number of obligations, including the payment of a fine ($245.2 million) and civil compensation ($153 million) that occurred during the second quarter of 2013. The reserve of $398.2 million that was booked in the financial statements as of June 30, 2012, has been fully released. By virtue of these settlements, TOTAL also accepted the appointment of a French independent compliance monitor to review the Group's compliance program and to recommend possible improvements. For more information, refer to the Registration Document for 2014, point 1.10.2. of chapter 5 (Prevention of corruption risks) and point 3.7. (Fair operating practices).

With respect to the same facts, TOTAL and its late Chairman and Chief Executive Officer, who was President of the Middle East division at the time of the facts, were placed under formal investigation in France following a judicial inquiry initiated in 2006. In late May 2013, the Prosecutor's office recommended that the case be sent to trial. This position was reiterated by the Prosecutor's office in June 2014. By order notified in October 2014, the investigating magistrate decided to refer the case to trial.

At this point, the Company considers that the resolution of these cases is not expected to have a significant impact on the Group's financial situation or consequences for its future planned operations.

Oil-for-Food Program

Several countries have launched investigations concerning possible violations related to the United Nations (UN) Oil-for-Food Program in Iraq.

Pursuant to a French criminal investigation, certain current or former Group employees were placed under formal criminal investigation for possible charges as accessories to the misappropriation of Corporate assets and as accessories to the corruption of foreign public agents. In 2007, the criminal investigation was closed and the case was transferred to the Prosecutor's office. In 2009, the Prosecutor's office recommended to the investigating magistrate that the case against the Group's current and former employees and TOTAL's late Chairman and Chief Executive Officer, formerly President of the Group's Exploration & Production division, not be pursued.

In early 2010, despite the recommendation of the Prosecutor's office, a new investigating magistrate, having taken over the case, decided to indict TOTAL S.A. on bribery charges as well as complicity and influence peddling. The indictment was brought eight years after the beginning of the investigation without any new evidence being introduced.

In October 2010, the Prosecutor's office recommended to the investigating magistrate that the case against TOTAL S.A., the Group's former employees and TOTAL's late Chairman and Chief Executive Officer not be pursued. However, by ordinance notified in early August 2011, the investigating magistrate on the matter decided to send the case to trial. On July 8, 2013, TOTAL S.A., the Group's former employees and TOTAL's late Chairman and Chief Executive Officer were cleared of all charges by the Criminal Court, which found that none of the offenses for which they had been prosecuted were established. On July 18, 2013, the Prosecutor's office appealed the parts of the Criminal Court's decision acquitting TOTAL S.A. and certain of the Group's former employees. TOTAL's late Chairman and Chief Executive Officer's acquittal issued on July 8, 2013 was irrevocable since the Prosecutor's office did not appeal this part of the Criminal Court's decision. The appeal hearing is expected to start in October 2015.

Italy

As part of an investigation led by the Prosecutor of the Republic of the Potenza Court, Total Italia and certain Group employees were the subjects of an investigation related to certain calls for tenders that Total Italia made for the preparation and development of an oil field.

The criminal investigation was closed in the first half of 2010.

In May 2012, the Judge of the preliminary hearing decided to dismiss the charges against some of the Group's employees and to refer the case for trial for a reduced number of charges. The trial started in September 2012.

Rivunion

On July 9, 2012, the Swiss *Tribunal Fédéral* (Switzerland's Supreme Court) rendered a decision against Rivunion, a wholly-owned subsidiary of Elf Aquitaine, confirming a tax reassessment in the amount of CHF 171 million (excluding interest for late payment). According to the *Tribunal*, Rivunion was held liable as tax collector for withholding taxes owed by the beneficiaries of taxable services. Rivunion, in liquidation since March 13, 2002 and unable to recover the amounts corresponding to the withholding taxes in order to meet its fiscal obligations, has been subject to insolvency proceedings since November 1, 2012. On August 29, 2013, the Swiss federal tax administration lodged a claim as part of the insolvency proceedings of Rivunion, for an amount of CHF 284 million, including CHF 171 million of principal as well as interest for late payment. Rivunion's insolvency proceedings was terminated on December 4, 2014 and the company was removed from the Geneva commercial register on December 11, 2014.

Kashagan

In Kazakhstan, the start-up of production of the Kashagan field, in which TOTAL holds an interest of 16.81%, occurred in September 2013 and was stopped following a gas leak from the export pipeline.

After the identification of a significant number of anomalies in the oil and gas export lines, it was decided to replace both pipelines. The remedial work is being conducted according to best international oil and gas field practices and strict HSE requirements in order to address, mitigate and remedy all problems prior to the restart of production.

On December 13, 2014, the Republic of Kazakhstan and the co-venturers of the consortium concluded an agreement and settled the disputes raised over the last several years concerning a number of operational, financial and environmental matters.

Russia

Since July 2014, members of the international 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 U.S. Treasury Department's Office of Foreign Assets Control (OFAC) has adopted economic sanctions targeting OAO Novatek, a Russian company listed on the Moscow Interbank Currency Exchange and the London Stock Exchange in which the Group held an 18.64% interest as of June 30, 2015 through its subsidiary Total E&P Holdings Russia, and entities in which OAO Novatek (individually or with other similarly targeted persons or entities collectively) owns an interest of at least 50%. The OFAC sanctions applicable to OAO Novatek prohibit U.S. persons from transacting in, providing financing for or otherwise dealing in debt issued after July 16, 2014 of greater than 90 days maturity, including OAO Yamal LNG, which is jointly-owned by OAO Novatek (60%), Total E&P Yamal (20%) and CNODC (20%), a subsidiary of CNPC. Consequently, the use of the U.S. dollar for such financing is effectively prohibited.

In order to comply with these sanctions, 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.

TOTAL continues to closely monitor the different international economic sanctions with respect to its activities in Russia. Within this framework, the Group filed the requests for prior authorizations required by EU restrictive measures concerning technical assistance, brokering services, financing and financial assistance related to certain technologies. The Treasury Department of the French Ministry of Finance, the competent authority on the subject, issued authorizations especially for the projects of Yamal LNG, Kharyaga and Termokarstovoye. The United States has also imposed 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, which, to date, do not affect TOTAL's activities in Russia. In July 2015, TOTAL signed an agreement to transfer the exploration licenses it held in the Bazhenov play located in Western Siberia (tight oil) to OAO Lukoil. This agreement also sets out the conditions under which TOTAL and OAO Lukoil could potentially resume their joint activities in Russia.

Djibouti

Following the confirmation of their conviction by a final judgment of the facts regarding pollution that occurred in the port of Djibouti in 1997, Total Djibouti S.A. and Total Marketing Djibouti S.A. each received in September 2014 an order to pay €53.8 million to the Republic of Djibouti. The amounts were contested by the two companies which, unable to deal with the liability, in accordance with local law, filed declarations of insolvency with the court on October 7, 2014. With respect to Total Djibouti S.A., the insolvency proceeding comprised a recovery plan.

Following a judgment delivered on November 18, 2014, the recovery plan proposed by Total Djibouti S.A. was rejected and the two companies were put into liquidation.

Total Djibouti S.A., a subsidiary indirectly 100% owned of TOTAL S.A., fully holds the capital of Total Marketing Djibouti S.A.

Yemen

Due to further degradation of the safety conditions in the vicinity of Balhaf, the company Yemen LNG, in which the Group holds a stake of 39.62%, has decided to stop all LNG producing and exporting operations. The plant will remain in a preservation mode and no expatriate personnel remain on site. As a consequence of the current situation, Yemen LNG has declared Force Majeure to its various stakeholders.

8) Information by business segment

1st half 2015 (in millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	9,723	37,257	40,039	9	-	87,028
Intersegment sales	9,305	14,350	495	108	(24,258)	-
Excise taxes	-	(1,940)	(8,856)	-	-	(10,796)
Revenues from sales	**19,028**	**49,667**	**31,678**	**117**	**(24,258)**	**76,232**
Operating expenses	(11,418)	(45,899)	(30,371)	(419)	24,258	(63,849)
Depreciation, depletion and amortization of tangible assets and mineral interests	(5,770)	(543)	(376)	(14)	-	(6,703)
Operating income	**1,840**	**3,225**	**931**	**(316)**	**-**	**5,680**
Equity in net income (loss) of affiliates and other items	1,088	869	423	468	-	2,848
Tax on net operating income	(1,277)	(879)	(324)	(175)	-	(2,655)
Net operating income	**1,651**	**3,215**	**1,030**	**(23)**	**-**	**5,873**
Net cost of net debt	-	-	-	-	-	(352)
Non-controlling interests	-	-	-	-	-	113
Net income	**-**	**-**	**-**	**-**	**-**	**5,634**

1st half 2015 (adjustments)[(a)] (in millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	(304)	-	-	-	-	(304)
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	**(304)**	**-**	**-**	**-**	**-**	**(304)**
Operating expenses	(142)	317	44	-	-	219
Depreciation, depletion and amortization of tangible assets and mineral interests	(1,240)	(31)	(23)	-	-	(1,294)
Operating income[(b)]	**(1,686)**	**286**	**21**	**-**	**-**	**(1,379)**
Equity in net income (loss) of affiliates and other items	(55)	590	285	-	-	820
Tax on net operating income	473	(110)	(22)	-	-	341
Net operating income[(b)]	**(1,268)**	**766**	**284**	**-**	**-**	**(218)**
Net cost of net debt	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	165
Net income	**-**	**-**	**-**	**-**	**-**	**(53)**

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

(b) Of which inventory valuation effect	*Upstream*	*Refining & Chemicals*	*Marketing & services*	*Corporate*
– On operating income	-	*434*	*44*	-
– On net operating income	-	*288*	*38*	-

1st half 2015 (adjusted) (in millions of dollars)[(a)]	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	10,027	37,257	40,039	9	-	87,332
Intersegment sales	9,305	14,350	495	108	(24,258)	-
Excise taxes	-	(1,940)	(8,856)	-	-	(10,796)
Revenues from sales	**19,332**	**49,667**	**31,678**	**117**	**(24,258)**	**76,536**
Operating expenses	(11,276)	(46,216)	(30,415)	(419)	24,258	(64,068)
Depreciation, depletion and amortization of tangible assets and mineral interests	(4,530)	(512)	(353)	(14)	-	(5,409)
Adjusted operating income	**3,526**	**2,939**	**910**	**(316)**	**-**	**7,059**
Equity in net income (loss) of affiliates and other items	1,143	279	138	468	-	2,028
Tax on net operating income	(1,750)	(769)	(302)	(175)	-	(2,996)
Adjusted net operating income	**2,919**	**2,449**	**746**	**(23)**	**-**	**6,091**
Net cost of net debt	-	-	-	-	-	(352)
Non-controlling interests	-	-	-	-	-	(52)
Adjusted net income	**-**	**-**	**-**	**-**	**-**	**5,687**
Adjusted fully-diluted earnings per share ($)	**-**	**-**	**-**	**-**	**-**	**2.47**

(a) Except for earnings per share.

1st half 2015 (in millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	13,804	899	651	45	-	15,399
Total divestments	1,541	2,640	679	17	-	4,877
Cash flow from operating activities	6,238	2,014	1,023	(156)	-	9,119

1st half 2014 (in millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	12,871	55,682	54,683	12	-	123,248
Intersegment sales	15,493	23,696	810	95	(40,094)	-
Excise taxes	-	(2,441)	(9,745)	-	-	(12,186)
Revenues from sales	**28,364**	**76,937**	**45,748**	**107**	**(40,094)**	**111,062**
Operating expenses	(13,688)	(75,536)	(44,655)	(431)	40,094	(94,216)
Depreciation, depletion and amortization of tangible assets and mineral interests	(4,490)	(786)	(380)	(18)	-	(5,674)
Operating income	**10,186**	**615**	**713**	**(342)**	**-**	**11,172**
Equity in net income (loss) of affiliates and other items	2,046	119	90	53	-	2,308
Tax on net operating income	(5,963)	(108)	(208)	(292)	-	(6,571)
Net operating income	**6,269**	**626**	**595**	**(581)**	**-**	**6,909**
Net cost of net debt	-	-	-	-	-	(345)
Non-controlling interests	-	-	-	-	-	(125)
Net income	**-**	**-**	**-**	**-**	**-**	**6,439**

1st half 2014 (adjustments)[a] (in millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	(10)	-	-	-	-	(10)
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	**(10)**	**-**	**-**	**-**	**-**	**(10)**
Operating expenses	(115)	(41)	(45)	-	-	(201)
Depreciation, depletion and amortization of tangible assets and mineral interests	-	(40)	-	-	-	(40)
Operating income[b]	**(125)**	**(81)**	**(45)**	**-**	**-**	**(251)**
Equity in net income (loss) of affiliates and other items	280	(40)	(7)	-	-	233
Tax on net operating income	(29)	-	14	-	-	(15)
Net operating income[b]	**126**	**(121)**	**(38)**	**-**	**-**	**(33)**
Net cost of net debt	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	(6)
Net income	**-**	**-**	**-**	**-**	**-**	**(39)**

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

(b) Of which inventory valuation effect	*Upstream*	*Refining & Chemicals*	*Marketing & services*	*Corporate*
– On operating income	-	*(41)*	*(23)*	-
– On net operating income	-	*(34)*	*(17)*	-

1st half 2014 (adjusted) (in millions of dollars)[a]	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	12,881	55,682	54,683	12	-	123,258
Intersegment sales	15,493	23,696	810	95	(40,094)	-
Excise taxes	-	(2,441)	(9,745)	-	-	(12,186)
Revenues from sales	**28,374**	**76,937**	**45,748**	**107**	**(40,094)**	**111,072**
Operating expenses	(13,573)	(75,495)	(44,610)	(431)	40,094	(94,015)
Depreciation, depletion and amortization of tangible assets and mineral interests	(4,490)	(746)	(380)	(18)	-	(5,634)
Adjusted operating income	**10,311**	**696**	**758**	**(342)**	**-**	**11,423**
Equity in net income (loss) of affiliates and other items	1,766	159	97	53	-	2,075
Tax on net operating income	(5,934)	(108)	(222)	(292)	-	(6,556)
Adjusted net operating income	**6,143**	**747**	**633**	**(581)**	**-**	**6,942**
Net cost of net debt	-	-	-	-	-	(345)
Non-controlling interests	-	-	-	-	-	(119)
Adjusted net income	**-**	**-**	**-**	**-**	**-**	**6,478**
Adjusted fully-diluted earnings per share ($)	**-**	**-**	**-**	**-**	**-**	**2.84**

(a) Except for earnings per share.

1st half 2014 (in millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	13,310	725	479	74	-	14,588
Total divestments	2,367	26	54	24	-	2,471
Cash flow from operating activities	8,616	1,460	393	146	-	10,615

2nd quarter 2015 (in millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	4,498	19,793	20,419	5	-	44,715
Intersegment sales	4,921	7,383	223	56	(12,583)	-
Excise taxes	-	(1,007)	(4,439)	-	-	(5,446)
Revenues from sales	**9,419**	**26,169**	**16,203**	**61**	**(12,583)**	**39,269**
Operating expenses	(5,449)	(24,182)	(15,508)	(180)	12,583	(32,736)
Depreciation, depletion and amortization of tangible assets and mineral interests	(2,329)	(291)	(202)	(9)	-	(2,831)
Operating income	**1,641**	**1,696**	**493**	**(128)**	**-**	**3,702**
Equity in net income (loss) of affiliates and other items	319	107	503	174	-	1,103
Tax on net operating income	(909)	(433)	(193)	(93)	-	(1,628)
Net operating income	**1,051**	**1,370**	**803**	**(47)**	**-**	**3,177**
Net cost of net debt	-	-	-	-	-	(164)
Non-controlling interests	-	-	-	-	-	(42)
Net income	**-**	**-**	**-**	**-**	**-**	**2,971**

2nd quarter 2015 (adjustments)[a] (in millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	(158)	-	-	-	-	(158)
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	**(158)**	**-**	**-**	**-**	**-**	**(158)**
Operating expenses	(2)	123	51	-	-	172
Depreciation, depletion and amortization of tangible assets and mineral interests	(194)	(31)	(23)	-	-	(248)
Operating income[b]	**(354)**	**92**	**28**	**-**	**-**	**(234)**
Equity in net income (loss) of affiliates and other items	(191)	(71)	374	-	-	112
Tax on net operating income	36	-	(24)	-	-	12
Net operating income[b]	**(509)**	**21**	**378**	**-**	**-**	**(110)**
Net cost of net debt	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	(4)
Net income	**-**	**-**	**-**	**-**	**-**	**(114)**

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

(b) Of which inventory valuation effect	*Upstream*	*Refining & Chemicals*	*Marketing & services*	*Corporate*
– On operating income	-	*199*	*51*	-
– On net operating income	-	*138*	*43*	-

2nd quarter 2015 (adjusted) (in millions of dollars)[(a)]	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	4,656	19,793	20,419	5	-	44,873
Intersegment sales	4,921	7,383	223	56	(12,583)	-
Excise taxes	-	(1,007)	(4,439)	-	-	(5,446)
Revenues from sales	**9,577**	**26,169**	**16,203**	**61**	**(12,583)**	**39,427**
Operating expenses	(5,447)	(24,305)	(15,559)	(180)	12,583	(32,908)
Depreciation, depletion and amortization of tangible assets and mineral interests	(2,135)	(260)	(179)	(9)	-	(2,583)
Adjusted operating income	**1,995**	**1,604**	**465**	**(128)**	**-**	**3,936**
Equity in net income (loss) of affiliates and other items	510	178	129	174	-	991
Tax on net operating income	(945)	(433)	(169)	(93)	-	(1,640)
Adjusted net operating income	**1,560**	**1,349**	**425**	**(47)**	**-**	**3,287**
Net cost of net debt	-	-	-	-	-	(164)
Non-controlling interests	-	-	-	-	-	(38)
Adjusted net income	**-**	**-**	**-**	**-**	**-**	**3,085**
Adjusted fully-diluted earnings per share ($)	**-**	**-**	**-**	**-**	**-**	**1.34**

(a) Except for earnings per share.

2nd quarter 2015 (in millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	5,653	465	436	36	-	6,590
Total divestments	379	874	627	13	-	1,893
Cash flow from operating activities	2,713	1,700	379	(60)	-	4,732

2nd quarter 2014 (in millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	6,205	28,143	28,213	-	-	62,561
Intersegment sales	8,057	11,740	402	46	(20,245)	-
Excise taxes	-	(1,281)	(5,073)	-	-	(6,354)
Revenues from sales	**14,262**	**38,602**	**23,542**	**46**	**(20,245)**	**56,207**
Operating expenses	(7,174)	(37,744)	(22,966)	(262)	20,245	(47,901)
Depreciation, depletion and amortization of tangible assets and mineral interests	(2,314)	(408)	(198)	(9)	-	(2,929)
Operating income	**4,774**	**450**	**378**	**(225)**	**-**	**5,377**
Equity in net income (loss) of affiliates and other items	719	65	98	7	-	889
Tax on net operating income	(2,471)	(114)	(128)	(218)	-	(2,931)
Net operating income	**3,022**	**401**	**348**	**(436)**	**-**	**3,335**
Net cost of net debt	-	-	-	-	-	(206)
Non-controlling interests	-	-	-	-	-	(25)
Net income	**-**	**-**	**-**	**-**	**-**	**3,104**

2nd quarter 2014 (adjustments)[a] (in millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	(36)	-	-	-	-	(36)
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	**(36)**	**-**	**-**	**-**	**-**	**(36)**
Operating expenses	-	122	(27)	-	-	95
Depreciation, depletion and amortization of tangible assets and mineral interests	-	(40)	-	-	-	(40)
Operating income[b]	**(36)**	**82**	**(27)**	**-**	**-**	**19**
Equity in net income (loss) of affiliates and other items	-	(32)	(7)	-	-	(39)
Tax on net operating income	7	(50)	10	-	-	(33)
Net operating income[b]	**(29)**	**-**	**(24)**	**-**	**-**	**(53)**
Net cost of net debt	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	6
Net income	**-**	**-**	**-**	**-**	**-**	**(47)**

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

(b) Of which inventory valuation effect	*Upstream*	*Refining & Chemicals*	*Marketing & services*	*Corporate*
– On operating income	-	*122*	*(5)*	-
– On net operating income	-	*77*	*(3)*	-

2nd quarter 2014 (adjusted) (in millions of dollars)(a)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	6,241	28,143	28,213	-	-	62,597
Intersegment sales	8,057	11,740	402	46	(20,245)	-
Excise taxes	-	(1,281)	(5,073)	-	-	(6,354)
Revenues from sales	**14,298**	**38,602**	**23,542**	**46**	**(20,245)**	**56,243**
Operating expenses	(7,174)	(37,866)	(22,939)	(262)	20,245	(47,996)
Depreciation, depletion and amortization of tangible assets and mineral interests	(2,314)	(368)	(198)	(9)	-	(2,889)
Adjusted operating income	**4,810**	**368**	**405**	**(225)**	**-**	**5,358**
Equity in net income (loss) of affiliates and other items	719	97	105	7	-	928
Tax on net operating income	(2,478)	(64)	(138)	(218)	-	(2,898)
Adjusted net operating income	**3,051**	**401**	**372**	**(436)**	**-**	**3,388**
Net cost of net debt	-	-	-	-	-	(206)
Non-controlling interests	-	-	-	-	-	(31)
Adjusted net income	**-**	**-**	**-**	**-**	**-**	**3,151**
Adjusted fully-diluted earnings per share ($)	**-**	**-**	**-**	**-**	**-**	**1.38**

(a) Except for earnings per share.

2nd quarter 2014 (in millions of dollars)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	7,999	475	203	46	-	8,723
Total divestments	568	15	28	20	-	631
Cash flow from operating activities	4,805	(133)	304	301	-	5,277

9) Reconciliation of the information by business segment with Consolidated Financial Statements

1st half 2015 (in millions of dollars)	Adjusted	Adjustments[a]	Consolidated Statement of income
Sales	**87,332**	**(304)**	**87,028**
Excise taxes	(10,796)	-	(10,796)
Revenues from sales	76,536	(304)	76,232
Purchases net of inventory variation	(51,035)	478	(50,557)
Other operating expenses	(12,131)	(172)	(12,303)
Exploration costs	(902)	(87)	(989)
Depreciation, depletion and amortization of tangible assets and mineral interests	(5,409)	(1,294)	(6,703)
Other income	884	1,459	2,343
Other expense	(235)	(603)	(838)
Financial interest on debt	(493)	-	(493)
Financial income from marketable securities & cash equivalents	59	-	59
Cost of net debt	(434)	-	(434)
Other financial income	397	-	397
Other financial expense	(329)	-	(329)
Equity in net income (loss) of affiliates	1,311	(36)	1,275
Income taxes	(2,914)	341	(2,573)
Consolidated net income	**5,739**	**(218)**	**5,521**
Group share	5,687	(53)	5,634
Non-controlling interests	52	(165)	(113)

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

1st half 2014 (in millions of dollars)	Adjusted	Adjustments[a]	Consolidated statement of income
Sales	**123,258**	**(10)**	**123,248**
Excise taxes	(12,186)	-	(12,186)
Revenues from sales	111,072	(10)	111,062
Purchases net of inventory variation	(78,639)	(64)	(78,703)
Other operating expenses	(14,456)	(137)	(14,593)
Exploration costs	(920)	-	(920)
Depreciation, depletion and amortization of tangible assets and mineral interests	(5,634)	(40)	(5,674)
Other income	548	648	1,196
Other expense	(263)	(49)	(312)
Financial interest on debt	(467)	-	(467)
Financial income from marketable securities & cash equivalents	50	-	50
Cost of net debt	(417)	-	(417)
Other financial income	426	-	426
Other financial expense	(349)	-	(349)
Equity in net income (loss) of affiliates	1,713	(366)	1,347
Income taxes	(6,484)	(15)	(6,499)
Consolidated net income	**6,597**	**(33)**	**6,564**
Group share	6,478	(39)	6,439
Non-controlling interests	119	6	125

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

2nd quarter 2015 (in millions of dollars)	Adjusted	Adjustments[a]	Consolidated statement of income
Sales	**44,873**	**(158)**	**44,715**
Excise taxes	(5,446)	-	(5,446)
Revenues from sales	39,427	(158)	39,269
Purchases net of inventory variation	(26,603)	250	(26,353)
Other operating expenses	(5,955)	(76)	(6,031)
Exploration costs	(350)	(2)	(352)
Depreciation, depletion and amortization of tangible assets and mineral interests	(2,583)	(248)	(2,831)
Other income	358	364	722
Other expense	(136)	(260)	(396)
Financial interest on debt	(231)	-	(231)
Financial income from marketable securities & cash equivalents	28	-	28
Cost of net debt	(203)	-	(203)
Other financial income	255	-	255
Other financial expense	(163)	-	(163)
Equity in net income (loss) of affiliates	677	8	685
Income taxes	(1,601)	12	(1,589)
Consolidated net income	**3,123**	**(110)**	**3,013**
Group share	3,085	(114)	2,971
Non-controlling interests	38	4	42

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

2nd quarter 2014 (in millions of dollars)	Adjusted	Adjustments[a]	Consolidated statement of income
Sales	**62,597**	**(36)**	**62,561**
Excise taxes	(6,354)	-	(6,354)
Revenues from sales	56,243	(36)	56,207
Purchases net of inventory variation	(40,488)	117	(40,371)
Other operating expenses	(7,207)	(22)	(7,229)
Exploration costs	(301)	-	(301)
Depreciation, depletion and amortization of tangible assets and mineral interests	(2,889)	(40)	(2,929)
Other income	96	-	96
Other expense	(133)	(30)	(163)
Financial interest on debt	(266)	-	(266)
Financial income from marketable securities & cash equivalents	31	-	31
Cost of net debt	(235)	-	(235)
Other financial income	265	-	265
Other financial expense	(183)	-	(183)
Equity in net income (loss) of affiliates	883	(9)	874
Income taxes	(2,869)	(33)	(2,902)
Consolidated net income	**3,182**	**(53)**	**3,129**
Group share	3,151	(47)	3,104
Non-controlling interests	31	(6)	25

(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 announced in November 2012 an agreement for the sale in Nigeria of its 20% interest in Block OML 138 to a subsidiary of China Petrochemical Corporation (Sinopec). On July 17, 2014, Sinopec informed the Group of its decision to not complete the transaction. The Group is actively pursuing its divestment process. At June 30, 2015 the assets and liabilities remain respectively classified in the consolidated balance sheet in "assets classified as held for sale" for an amount of $2,477 million and "liabilities directly associated with the assets classified as held for sale" for an amount of $1,083 million. The assets concerned mainly include tangible assets for an amount of $2,238 million.
- TOTAL has signed in July 2014 an agreement with Exxaro Resources Ltd for the sale of its 100% stake in Total Coal South Africa, its coal-producing affiliate in South Africa. Completion of the sale is subject to approval by the relevant authorities. At June 30, 2015 the assets and liabilities remain respectively classified in the consolidated balance sheet in "assets classified as held for sale" for an amount of $277 million and "liabilities directly associated with the assets classified as held for sale" for an amount of $56 million. The assets concerned mainly include tangible assets for an amount of $209 million.

11) Post-closing and other events

- In July 2015 new negotiations with Exxaro Resources Ltd took place in relation with the sale of TOTAL's 100% stake in Total Coal South Africa. The accounting impacts of these new negotiations have been taken into account in the Group's Consolidated Financial Statements at June 30, 2015.
- On July 28, 2015, TOTAL signed an agreement to sell 20% of its interests in the Laggan, Tormore, Edradour and Glenlivet fields located in the West of Shetland area to SSE E&P Ltd.

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