

TOTAL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FIRST NINE MONTHS OF 2017

(unaudited)

1) Accounting policies

The interim consolidated financial statements of TOTAL S.A. and its subsidiaries (the Group) as of September 30, 2017 are presented in U.S. dollars and have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The accounting policies applied for the consolidated financial statements as of September 30, 2017 do not differ significantly from those applied for the consolidated financial statements as of December 31, 2016 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, 2017 did not have a material impact on the Group's consolidated financial statements as of September 30, 2017.

As for accounting standards applicable for annual periods starting from January 1, 2018:

- As indicated in the December 31, 2016 Notes to the Consolidated Financial Statements, the expected impacts of the application of standard IFRS 15 "Revenue from Contracts with Customers" are not significant for the Group.
- The impacts of the application of standard IFRS 9 "Financial Instruments" are currently under review, especially for the impairment of financial assets.

The preparation of financial statements in accordance with IFRS for the closing as of September 30, 2017 requires the executive management to make estimates, assumptions and judgments that affect the information reported in the Consolidated Financial Statements and the Notes thereto.

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

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

The main estimates, judgments and assumptions relate to the estimation of hydrocarbon reserves in application of the successful efforts method for the oil and gas activities, the impairment of assets, the employee benefits, the asset retirement obligations and the income taxes. These estimates and assumptions are described in the Notes to the Consolidated Financial Statements as of December 31, 2016.

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

2.1) Main acquisitions and divestments

➤ Gas, Renewables & Power

- In January 2017, TOTAL acquired a 23% interest in the company Tellurian to develop an integrated gas project in the United States for an amount of \$207 million.

➤ Refining & Chemicals

- On January 31, 2017, TOTAL closed the sale of Atotech to the Carlyle Group for an amount of \$3.2 billion.

➤ Marketing & Services

- On March 28, 2017, TOTAL announced the closing of the acquisition of the assets of Gulf Africa Petroleum Corporation in Kenya, Uganda and Tanzania.

2.2) Divestment projects

➤ Exploration & Production

- In February 2017, TOTAL has signed an agreement with Perenco for the sale of interests and the transfer of operatorship in various mature assets in Gabon. The transaction is subject to the publication in the Official Journal of the decrees signed by the President of the Republic of Gabon. The assets and liabilities have been classified in the consolidated balance sheet as at September 30th, 2017 respectively in “assets classified as held for sale” for an amount of \$431 million (mainly tangible assets for an amount of \$356 million) and “liabilities directly associated with the assets classified as held for sale” for an amount of \$352 million.
- On September 4, 2017 TOTAL announced the sale to Kuwait Foreign Petroleum Exploration Company (KUFPEC) of its remaining 15% interest in the Gina Krog field in Norway. The assets and liabilities have been classified in the consolidated balance sheet as at September 30th, 2017 respectively in “assets classified as held for sale” for an amount of \$564 million (mainly tangible assets for an amount of \$525 million) and “liabilities directly associated with the assets classified as held for sale” for an amount of \$169 million.

3) Adjustment items

Description of the business segments

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

Total has put in place a new organization fully effective since January 1, 2017, structured around four business segments following the creation of the Gas, Renewables & Power segment, alongside the Exploration & Production, Refining & Chemicals and Marketing & Services segments.

Certain figures for the year 2016 have been restated in order to reflect the new organization with four business segments.

Adjustment items

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

Adjustment items include:

(i) Special items

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

(ii) The inventory valuation effect

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

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

(iii) Effect of changes in fair value

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

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

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

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

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

ADJUSTMENTS TO OPERATING INCOME

(M\$)		Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Total
3rd quarter 2017	Inventory valuation effect	-	-	210	51	-	261
	Effect of changes in fair value	-	(14)	-	-	-	(14)
	Restructuring charges	(2)	-	-	-	-	(2)
	Asset impairment charges	(57)	-	-	-	-	(57)
	Other items	-	(32)	(44)	-	-	(76)
Total		(59)	(46)	166	51	-	112
3rd quarter 2016	Inventory valuation effect	-	-	4	(51)	-	(47)
	Effect of changes in fair value	-	(18)	-	-	-	(18)
	Restructuring charges	-	(15)	-	-	-	(15)
	Asset impairment charges	-	-	-	-	-	-
	Other items	-	(98)	-	(2)	-	(100)
Total		-	(131)	4	(53)	-	(180)
9 months 2017	Inventory valuation effect	-	-	(79)	(18)	-	(97)
	Effect of changes in fair value	-	(41)	-	-	-	(41)
	Restructuring charges	(42)	-	-	-	-	(42)
	Asset impairment charges	(1,926)	(25)	(50)	-	-	(2,001)
	Other items	(77)	(146)	(109)	(26)	(64)	(422)
Total		(2,045)	(212)	(238)	(44)	(64)	(2,603)
9 months 2016	Inventory valuation effect	-	-	315	(10)	-	305
	Effect of changes in fair value	-	(21)	-	-	-	(21)
	Restructuring charges	(19)	(15)	-	-	-	(34)
	Asset impairment charges	(200)	-	-	-	-	(200)
	Other items	(672)	(227)	(69)	(10)	-	(978)
Total		(891)	(263)	246	(20)	-	(928)

ADJUSTMENTS TO NET INCOME, GROUP SHARE

(M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Total
3rd quarter 2017						
Inventory valuation effect	-	-	154	29	-	183
Effect of changes in fair value	-	(10)	-	-	-	(10)
Restructuring charges	-	(2)	-	-	-	(2)
Asset impairment charges	(56)	(18)	-	-	-	(74)
Gains (losses) on disposals of assets	-	-	-	-	-	-
Other items	-	(11)	(28)	(8)	-	(47)
Total	(56)	(41)	126	21	-	50
3rd quarter 2016						
Inventory valuation effect	-	-	22	(27)	-	(5)
Effect of changes in fair value	-	(13)	-	-	-	(13)
Restructuring charges	-	(18)	-	-	-	(18)
Asset impairment charges	-	(33)	-	-	-	(33)
Gains (losses) on disposals of assets	(32)	-	-	-	-	(32)
Other items	84	(75)	(12)	(12)	-	(15)
Total	52	(139)	10	(39)	-	(116)
9 months 2017						
Inventory valuation effect	-	-	(56)	(16)	-	(72)
Effect of changes in fair value	-	(29)	-	-	-	(29)
Restructuring charges	(12)	(10)	(39)	-	-	(61)
Asset impairment charges	(1,697)	(77)	(50)	-	-	(1,824)
Gains (losses) on disposals of assets	-	-	2,139	125	-	2,264
Other items	(144)	(89)	(73)	(26)	(42)	(374)
Total	(1,853)	(205)	1,921	83	(42)	(96)
9 months 2016						
Inventory valuation effect	-	-	219	(2)	-	217
Effect of changes in fair value	-	(15)	-	-	-	(15)
Restructuring charges	(4)	(18)	-	-	-	(22)
Asset impairment charges	(129)	(33)	(49)	-	-	(211)
Gains (losses) on disposals of assets	326	-	-	(14)	-	312
Other items	(230)	(184)	(71)	(28)	-	(513)
Total	(37)	(250)	99	(44)	-	(232)

4) Shareholders' equity

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

As of September 30, 2017, TOTAL S.A. holds 8,378,106 of its own shares, representing 0.33% of its share capital, detailed as follows:

- 8,346,397 shares allocated to TOTAL share grant plans for Group employees; and
- 31,709 shares intended to be allocated to new TOTAL share purchase option plans or to new share grant plans.

These shares are deducted from the consolidated shareholders' equity.

Dividend

A 2017 first interim dividend of €0.62 per share, decided by the Board of Directors on April 26, 2017 has been paid in cash or in new shares on October 12, 2017 (the ex-dividend date was September 25, 2017). The share price of new shares has been set at 41.12€ per share by the Board of Directors on September 20, 2017. This price is equal to the average opening price on Euronext Paris for the 20 trading days preceding this Board of Directors meeting, reduced by the amount of the first interim dividend, with a 5% discount, rounded up to the nearest cent. On October 12, 2017, 25,633,559 shares have been issued at a price of €41.12 per share.

A 2017 second interim dividend of €0.62 per share, decided by the Board of Directors on July 26, 2017, would be paid on January 11, 2018 (the ex-dividend date will be December 19, 2017).

A 2017 third interim dividend of €0.62 per share, decided by the Board of Directors on October 26, 2017, would be paid on April 9, 2018 (the ex-dividend date will be March 19, 2018).

Earnings per share in Euro

Earnings per share in Euro, calculated from the earnings per share in U.S. dollars converted at the average Euro/USD exchange rate for the period, amounted to €0.90 per share for the 3rd quarter 2017 (€0.71 per share for the 2nd quarter 2017 and €0.71 per share for the 3rd quarter 2016). Diluted earnings per share calculated using the same method amounted to €0.90 per share for the 3rd quarter 2017 (€0.71 per share for the 2nd quarter 2017 and €0.71 per share for the 3rd quarter 2016).

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

Other comprehensive income

Detail of other comprehensive income showing items reclassified from equity to net income is presented in the table below:

(M\$)	9 months 2017	9 months 2016
Actuarial gains and losses	29	(576)
Tax effect	(17)	119
Currency translation adjustment generated by the parent company	7,884	1,967
Items not potentially reclassifiable to profit and loss	7,896	1,510
Currency translation adjustment	(1,993)	(1,717)
- unrealized gain/(loss) of the period	(1,910)	(1,488)
- less gain/(loss) included in net income	83	229
Available for sale financial assets	4	1
- unrealized gain/(loss) of the period	4	1
- less gain/(loss) included in net income	-	-
Cash flow hedge	150	145
- unrealized gain/(loss) of the period	400	248
- less gain/(loss) included in net income	250	103
Share of other comprehensive income of equity affiliates, net amount	(672)	477
- unrealized gain/(loss) of the period	(680)	494
- less gain/(loss) included in net income	(8)	17
Other	-	-
Tax effect	(51)	(44)
Items potentially reclassifiable to profit and loss	(2,562)	(1,138)
Total other comprehensive income, net amount	5,334	372

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

(M\$)	9 months 2017			9 months 2016		
	Pre-tax amount	Tax effect	Net amount	Pre-tax amount	Tax effect	Net amount
Actuarial gains and losses	29	(17)	12	(576)	119	(457)
Currency translation adjustment generated by the parent company	7,884	-	7,884	1,967	-	1,967
Items not potentially reclassifiable to profit and loss	7,913	(17)	7,896	1,391	119	1,510
Currency translation adjustment	(1,993)	-	(1,993)	(1,717)	-	(1,717)
Available for sale financial assets	4	(1)	3	1	-	1
Cash flow hedge	150	(50)	100	145	(44)	101
Share of other comprehensive income of equity affiliates, net amount	(672)	-	(672)	477	-	477
Other	-	-	-	-	-	-
Items potentially reclassifiable to profit and loss	(2,511)	(51)	(2,562)	(1,094)	(44)	(1,138)
Total other comprehensive income	5,402	(68)	5,334	297	75	372

5) Financial debt

The Group issued bonds during the first nine months of 2017:

- Bond 1.250% 2017-2024 (GBP 250 million)

The Group reimbursed bonds during the first nine months of 2017:

- Bond 4.875% 2012-2017 (AUD 100 million)
- Bond 1.500% 2012-2017 (USD 1,000 million)
- Bond 1.000% 2014-2017 (USD 500 million)
- Bond 4.700% 2007-2017 (EUR 300 million)
- Bond 4.125% 2012-2017 (AUD 150 million)
- Bond 1.550% 2012-2017 (USD 1,500 million)
- Bond 2.250% 2012-2017 (NOK 1,450 million)

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 nine months of 2017.

7) Other risks and contingent liabilities

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

Alitalia

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

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

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

In connection with the same facts, and fifteen years after the aforementioned exploration and production contract was rendered null and void ("caduc"), a Russian company, which was held not to be the contracting party to the contract, and two regions of the Russian Federation that were not even parties to the contract, launched an arbitration procedure against the aforementioned former subsidiary of Elf Aquitaine that was liquidated in 2005, claiming alleged damages of \$22.4 billion. The arbitral tribunal issued its decision on June 19, 2017 and entirely dismissed this claim.

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

FERC

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

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

Yemen

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

8) Information by business segment

9 months 2017 (M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	6,292	8,771	54,844	54,215	20	-	124,142
Intersegment sales	16,331	869	18,954	650	284	(37,088)	-
Excise taxes	-	-	(2,180)	(14,305)	-	-	(16,485)
Revenues from sales	22,623	9,640	71,618	40,560	304	(37,088)	107,657
Operating expenses	(10,866)	(9,443)	(67,906)	(38,780)	(802)	37,088	(90,709)
Depreciation, depletion and impairment of tangible assets and mineral interests	(8,960)	(163)	(790)	(472)	(27)	-	(10,412)
Operating income	2,797	34	2,922	1,308	(525)	-	6,536
Equity in net income (loss) of affiliates and other items	1,198	(20)	2,780	421	48	-	4,427
Tax on net operating income	(1,696)	(54)	(877)	(404)	485	-	(2,546)
Net operating income	2,299	(40)	4,825	1,325	8	-	8,417
Net cost of net debt							(848)
Non-controlling interests							41
Net income - group share							7,610

9 months 2017 (adjustments) ^(a) (M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	-	(41)	-	-	-	-	(41)
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
Revenues from sales	-	(41)	-	-	-	-	(41)
Operating expenses	(119)	(146)	(188)	(44)	(64)	-	(561)
Depreciation, depletion and impairment of tangible assets and mineral interests	(1,926)	(25)	(50)	-	-	-	(2,001)
Operating income^(b)	(2,045)	(212)	(238)	(44)	(64)	-	(2,603)
Equity in net income (loss) of affiliates and other items	(216)	(94)	2,168	121	-	-	1,979
Tax on net operating income	380	13	(9)	8	22	-	414
Net operating income^(b)	(1,881)	(293)	1,921	85	(42)	-	(210)
Net cost of net debt							(21)
Non-controlling interests							135
Net income - group share							(96)

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

^(b) Of which inventory valuation effect

- On operating income	-	-	(79)	(18)	-	
- On net operating income	-	-	(56)	(14)	-	

9 months 2017 (adjusted) (M\$) ^(a)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	6,292	8,812	54,844	54,215	20	-	124,183
Intersegment sales	16,331	869	18,954	650	284	(37,088)	-
Excise taxes	-	-	(2,180)	(14,305)	-	-	(16,485)
Revenues from sales	22,623	9,681	71,618	40,560	304	(37,088)	107,698
Operating expenses	(10,747)	(9,297)	(67,718)	(38,736)	(738)	37,088	(90,148)
Depreciation, depletion and impairment of tangible assets and mineral interests	(7,034)	(138)	(740)	(472)	(27)	-	(8,411)
Adjusted operating income	4,842	246	3,160	1,352	(461)	-	9,139
Equity in net income (loss) of affiliates and other items	1,414	74	612	300	48	-	2,448
Tax on net operating income	(2,076)	(67)	(868)	(412)	463	-	(2,960)
Adjusted net operating income	4,180	253	2,904	1,240	50	-	8,627
Net cost of net debt							(827)
Non-controlling interests							(94)
Adjusted net income - group share							7,706
Adjusted fully-diluted earnings per share (\$)							3.02

^(a) Except for earnings per share.

9 months 2017 (M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	9,312	491	1,024	887	79	-	11,793
Total divestments	584	27	2,784	368	34	-	3,797
Cash flow from operating activities	7,633	336	4,399	1,138	198	-	13,704

9 months 2016 (M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	5,563	6,449	46,555	48,897	4	-	107,468
Intersegment sales	12,572	703	14,760	487	225	(28,747)	-
Excise taxes	-	-	(2,760)	(13,650)	-	-	(16,410)
Revenues from sales	18,135	7,152	58,555	35,734	229	(28,747)	91,058
Operating expenses	(10,512)	(7,146)	(54,407)	(33,897)	(710)	28,747	(77,925)
Depreciation, depletion and impairment of tangible assets and mineral interests	(7,254)	(108)	(750)	(446)	(26)	-	(8,584)
Operating income	369	(102)	3,398	1,391	(507)	-	4,549
Equity in net income (loss) of affiliates and other items	1,350	121	617	129	289	-	2,506
Tax on net operating income	454	1	(852)	(409)	87	-	(719)
Net operating income	2,173	20	3,163	1,111	(131)	-	6,336
Net cost of net debt							(617)
Non-controlling interests							(71)
Net income - group share							5,648

9 months 2016 (adjustments)^(a) (M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	-	(248)	-	-	-	-	(248)
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
Revenues from sales	-	(248)	-	-	-	-	(248)
Operating expenses	(691)	(15)	246	(20)	-	-	(480)
Depreciation, depletion and impairment of tangible assets and mineral interests	(200)	-	-	-	-	-	(200)
Operating income^(b)	(891)	(263)	246	(20)	-	-	(928)
Equity in net income (loss) of affiliates and other items	206	(76)	(61)	(20)	-	-	49
Tax on net operating income	648	52	(86)	(2)	-	-	612
Net operating income^(b)	(37)	(287)	99	(42)	-	-	(267)
Net cost of net debt							(17)
Non-controlling interests							52
Net income - group share							(232)

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

^(b) Of which inventory valuation effect

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

9 months 2016 (adjusted) (M\$) ^(a)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	5,563	6,697	46,555	48,897	4	-	107,716
Intersegment sales	12,572	703	14,760	487	225	(28,747)	-
Excise taxes	-	-	(2,760)	(13,650)	-	-	(16,410)
Revenues from sales	18,135	7,400	58,555	35,734	229	(28,747)	91,306
Operating expenses	(9,821)	(7,131)	(54,653)	(33,877)	(710)	28,747	(77,445)
Depreciation, depletion and impairment of tangible assets and mineral interests	(7,054)	(108)	(750)	(446)	(26)	-	(8,384)
Adjusted operating income	1,260	161	3,152	1,411	(507)	-	5,477
Equity in net income (loss) of affiliates and other items	1,144	197	678	149	289	-	2,457
Tax on net operating income	(194)	(51)	(766)	(407)	87	-	(1,331)
Adjusted net operating income	2,210	307	3,064	1,153	(131)	-	6,603
Net cost of net debt							(600)
Non-controlling interests							(123)
Adjusted net income - group share							5,880
Adjusted fully-diluted earnings per share (\$)							2.42

^(a) Except for earnings per share.

9 months 2016 (M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	11,252	1,339	1,295	745	44	-	14,675
Total divestments	1,369	137	73	359	12	-	1,950
Cash flow from operating activities	4,971	(194)	2,839	1,414	473	-	9,503

3rd quarter 2017 (M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	2,121	2,903	18,923	19,086	11	-	43,044
Intersegment sales	5,665	286	6,592	207	89	(12,839)	-
Excise taxes	-	-	(799)	(5,163)	-	-	(5,962)
Revenues from sales	7,786	3,189	24,716	14,130	100	(12,839)	37,082
Operating expenses	(3,632)	(3,117)	(23,110)	(13,386)	(250)	12,839	(30,656)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,548)	(51)	(258)	(170)	(8)	-	(3,035)
Operating income	1,606	21	1,348	574	(158)	-	3,391
Equity in net income (loss) of affiliates and other items	521	12	179	133	32	-	877
Tax on net operating income	(745)	7	(379)	(173)	100	-	(1,190)
Net operating income	1,382	40	1,148	534	(26)	-	3,078
Net cost of net debt							(315)
Non-controlling interests							(39)
Net income - group share							2,724

3rd quarter 2017 (adjustments)^(a) (M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	-	(14)	-	-	-	-	(14)
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
Revenues from sales	-	(14)	-	-	-	-	(14)
Operating expenses	(2)	(32)	166	51	-	-	183
Depreciation, depletion and impairment of tangible assets and mineral interests	(57)	-	-	-	-	-	(57)
Operating income^(b)	(59)	(46)	166	51	-	-	112
Equity in net income (loss) of affiliates and other items	(2)	(15)	12	(5)	-	-	(10)
Tax on net operating income	4	4	(50)	(18)	-	-	(60)
Net operating income^(b)	(57)	(57)	128	28	-	-	42
Net cost of net debt							(7)
Non-controlling interests							15
Net income - group share							50

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

^(b) Of which inventory valuation effect

- On operating income	-	-	210	51	-	
- On net operating income	-	-	156	36	-	

3rd quarter 2017 (adjusted) (M\$) ^(a)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	2,121	2,917	18,923	19,086	11	-	43,058
Intersegment sales	5,665	286	6,592	207	89	(12,839)	-
Excise taxes	-	-	(799)	(5,163)	-	-	(5,962)
Revenues from sales	7,786	3,203	24,716	14,130	100	(12,839)	37,096
Operating expenses	(3,630)	(3,085)	(23,276)	(13,437)	(250)	12,839	(30,839)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,491)	(51)	(258)	(170)	(8)	-	(2,978)
Adjusted operating income	1,665	67	1,182	523	(158)	-	3,279
Equity in net income (loss) of affiliates and other items	523	27	167	138	32	-	887
Tax on net operating income	(749)	3	(329)	(155)	100	-	(1,130)
Adjusted net operating income	1,439	97	1,020	506	(26)	-	3,036
Net cost of net debt							(308)
Non-controlling interests							(54)
Adjusted net income - group share							2,674
Adjusted fully-diluted earnings per share (\$)							1.04

^(a) Except for earnings per share.

3rd quarter 2017 (M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	3,228	99	357	190	36	-	3,910
Total divestments	339	-	24	150	26	-	539
Cash flow from operating activities	2,633	325	662	596	147	-	4,363

3rd quarter 2016 (M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	1,852	2,510	16,050	16,998	2	-	37,412
Intersegment sales	4,854	283	5,072	147	74	(10,430)	-
Excise taxes	-	-	(875)	(4,712)	-	-	(5,587)
Revenues from sales	6,706	2,793	20,247	12,433	76	(10,430)	31,825
Operating expenses	(3,513)	(2,754)	(19,102)	(11,829)	(198)	10,430	(26,966)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,479)	(46)	(251)	(150)	(10)	-	(2,936)
Operating income	714	(7)	894	454	(132)	-	1,923
Equity in net income (loss) of affiliates and other items	180	7	228	78	88	-	581
Tax on net operating income	(61)	17	(197)	(134)	59	-	(316)
Net operating income	833	17	925	398	15	-	2,188
Net cost of net debt							(208)
Non-controlling interests							(26)
Net income - group share							1,954

3rd quarter 2016 (adjustments)^(a) (M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	-	(116)	-	-	-	-	(116)
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
Revenues from sales	-	(116)	-	-	-	-	(116)
Operating expenses	-	(15)	4	(53)	-	-	(64)
Depreciation, depletion and impairment of tangible assets and mineral interests	-	-	-	-	-	-	-
Operating income^(b)	-	(131)	4	(53)	-	-	(180)
Equity in net income (loss) of affiliates and other items	(123)	(68)	16	1	-	-	(174)
Tax on net operating income	175	25	(11)	6	-	-	195
Net operating income^(b)	52	(174)	9	(46)	-	-	(159)
Net cost of net debt							(6)
Non-controlling interests							49
Net income - group share							(116)

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

^(b) Of which inventory valuation effect

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

3rd quarter 2016 (adjusted) (M\$) ^(a)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	1,852	2,626	16,050	16,998	2	-	37,528
Intersegment sales	4,854	283	5,072	147	74	(10,430)	-
Excise taxes	-	-	(875)	(4,712)	-	-	(5,587)
Revenues from sales	6,706	2,909	20,247	12,433	76	(10,430)	31,941
Operating expenses	(3,513)	(2,739)	(19,106)	(11,776)	(198)	10,430	(26,902)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,479)	(46)	(251)	(150)	(10)	-	(2,936)
Adjusted operating income	714	124	890	507	(132)	-	2,103
Equity in net income (loss) of affiliates and other items	303	75	212	77	88	-	755
Tax on net operating income	(236)	(8)	(186)	(140)	59	-	(511)
Adjusted net operating income	781	191	916	444	15	-	2,347
Net cost of net debt							(202)
Non-controlling interests							(75)
Adjusted net income - group share							2,070
Adjusted fully-diluted earnings per share (\$)							0.84

^(a) Except for earnings per share.

3rd quarter 2016 (M\$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	3,484	1,097	554	243	(177)	-	5,201
Total divestments	105	33	21	29	4	-	192
Cash flow from operating activities	2,275	24	1,697	573	171	-	4,740

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

9 months 2017 (M\$)	Adjusted	Adjustments^(a)	Consolidated statement of income
Sales	124,183	(41)	124,142
Excise taxes	(16,485)	-	(16,485)
Revenues from sales	107,698	(41)	107,657
Purchases net of inventory variation	(71,514)	(238)	(71,752)
Other operating expenses	(18,057)	(323)	(18,380)
Exploration costs	(577)	-	(577)
Depreciation, depletion and impairment of tangible assets and mineral interests	(8,411)	(2,001)	(10,412)
Other income	552	2,747	3,299
Other expense	(181)	(283)	(464)
Financial interest on debt	(1,023)	(21)	(1,044)
Financial income and expense from cash & cash equivalents	(93)	-	(93)
Cost of net debt	(1,116)	(21)	(1,137)
Other financial income	717	-	717
Other financial expense	(483)	-	(483)
Equity in net income (loss) of affiliates	1,843	(485)	1,358
Income taxes	(2,671)	414	(2,257)
Consolidated net income	7,800	(231)	7,569
Group share	7,706	(96)	7,610
Non-controlling interests	94	(135)	(41)

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

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

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

3rd quarter 2017	Consolidated		
(M\$)	Adjusted	Adjustments^(a)	statement of income
Sales	43,058	(14)	43,044
Excise taxes	(5,962)	-	(5,962)
Revenues from sales	37,096	(14)	37,082
Purchases net of inventory variation	(24,585)	218	(24,367)
Other operating expenses	(6,073)	(35)	(6,108)
Exploration costs	(181)	-	(181)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,978)	(57)	(3,035)
Other income	238	166	404
Other expense	(65)	(2)	(67)
Financial interest on debt	(361)	(7)	(368)
Financial income and expense from cash & cash equivalents	(45)	-	(45)
Cost of net debt	(406)	(7)	(413)
Other financial income	204	-	204
Other financial expense	(164)	-	(164)
Equity in net income (loss) of affiliates	674	(174)	500
Income taxes	(1,032)	(60)	(1,092)
Consolidated net income	2,728	35	2,763
Group share	2,674	50	2,724
Non-controlling interests	54	(15)	39

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

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

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

10) Post-closing and other events

On October 6, 2017 the French Constitutional Council declared unconstitutional the 3% additional contribution to income tax in France on distributed amounts.

The Group will draw the accounting consequences of this decision in the fourth quarter of 2017.