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S.A.S. à capital variable

TOTAL S.A.

***Statutory Auditors' Review Report on the interim
condensed consolidated financial statements***

Period from January 1st to March 31st, 2018

TOTAL S.A.

2, Place Jean Millier - 92400 Courbevoie

This report contains 25 pages



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This is a free translation into English of the statutory auditors' review report issued in French and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

TOTAL S.A.

Registered office: 2, Place Jean Millier - 92400 Courbevoie

Statutory Auditors' Review Report on the interim condensed consolidated financial statements

Period from January 1st to March 31st, 2018

To the Chairman and Chief Executive Officer,,

In our capacity as statutory auditors of TOTAL S.A., and in accordance with your request, we have performed a review of the accompanying condensed interim consolidated financial statements of TOTAL S.A. for the period from January 1st to March 31, 2018.

The preparation of these condensed interim consolidated financial statements is the responsibility of your Board of Directors. Our responsibility is to express a conclusion on these financial statements based on our review.

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.



TOTAL S.A.
*Statutory Auditors' Review Report on the interim
condensed consolidated financial statements
25 April 2018*

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

Paris La Défense, April 25, 2018

Les Commissaires aux Comptes,

KPMG Audit
A division of KPMG S.A.

ERNST & YOUNG Audit

Jacques-François Lethu
Associé

Eric Jacquet
Associé

Yvon Salaün
Associé

Céline Eydieu-Bout
Associée

CONSOLIDATED STATEMENT OF INCOME

TOTAL

(unaudited)

| (M\$) ^(a) | 1 st quarter 2018 | 4 th quarter 2017 | 1 st quarter 2017 |
|---|---------------------------------|---------------------------------|---------------------------------|
| Sales | 49,611 | 47,351 | 41,183 |
| Excise taxes | (6,319) | (5,909) | (5,090) |
| Revenues from sales | 43,292 | 41,442 | 36,093 |
| Purchases, net of inventory variation | (29,446) | (27,659) | (23,987) |
| Other operating expenses | (6,937) | (6,586) | (6,166) |
| Exploration costs | (204) | (287) | (197) |
| Depreciation, depletion and impairment of tangible assets and mineral interests | (2,916) | (5,691) | (4,579) |
| Other income | 523 | 512 | 2,325 |
| Other expense | (190) | (570) | (291) |
| Financial interest on debt | (390) | (352) | (331) |
| Financial income and expense from cash & cash equivalents | (41) | (45) | (11) |
| Cost of net debt | (431) | (397) | (342) |
| Other financial income | 240 | 240 | 228 |
| Other financial expense | (170) | (159) | (160) |
| Net income (loss) from equity affiliates | 484 | 657 | 548 |
| Income taxes | (1,596) | (772) | (693) |
| Consolidated net income | 2,649 | 730 | 2,779 |
| Group share | 2,636 | 1,021 | 2,849 |
| Non-controlling interests | 13 | (291) | (70) |
| Earnings per share (\$) | 1.00 | 0.37 | 1.14 |
| Fully-diluted earnings per share (\$) | 0.99 | 0.37 | 1.13 |

^(a) Except for per share amounts.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

TOTAL

(unaudited)

| (M\$) | 1 st quarter 2018 | 4 th quarter 2017 | 1 st quarter 2017 |
|--|---------------------------------|---------------------------------|---------------------------------|
| Consolidated net income | 2,649 | 730 | 2,779 |
| Other comprehensive income | | | |
| Actuarial gains and losses | 25 | 794 | 126 |
| Change in fair value of investments in equity instruments | 7 | - | - |
| Tax effect | 2 | (373) | (41) |
| Currency translation adjustment generated by the parent company | 2,131 | 1,432 | 940 |
| Items not potentially reclassifiable to profit and loss | 2,165 | 1,853 | 1,025 |
| Currency translation adjustment | (362) | (585) | (200) |
| Available for sale financial assets | - | 3 | (1) |
| Cash flow hedge | 178 | 174 | 113 |
| Variation of foreign currency basis spread | (29) | - | - |
| Share of other comprehensive income of equity affiliates, net amount | (168) | (5) | 331 |
| Other | - | - | 3 |
| Tax effect | (48) | (49) | (39) |
| Items potentially reclassifiable to profit and loss | (429) | (462) | 207 |
| Total other comprehensive income (net amount) | 1,736 | 1,391 | 1,232 |
| Comprehensive income | 4,385 | 2,121 | 4,011 |
| Group share | 4,356 | 2,385 | 4,074 |
| Non-controlling interests | 29 | (264) | (63) |

CONSOLIDATED BALANCE SHEET

TOTAL

| (M\$) | March 31, 2018 <i>(unaudited)</i> | December 31, 2017 | March 31, 2017 <i>(unaudited)</i> |
|---|---|----------------------|---|
| ASSETS | | | |
| Non-current assets | | | |
| Intangible assets, net | 24,502 | 14,587 | 14,048 |
| Property, plant and equipment, net | 116,181 | 109,397 | 111,100 |
| Equity affiliates : investments and loans | 22,332 | 22,103 | 21,638 |
| Other investments | 1,710 | 1,727 | 1,381 |
| Non-current financial assets | 1,154 | 679 | 877 |
| Deferred income taxes | 5,519 | 5,206 | 4,766 |
| Other non-current assets | 3,633 | 3,984 | 4,114 |
| Total non-current assets | 175,031 | 157,683 | 157,924 |
| Current assets | | | |
| Inventories, net | 17,006 | 16,520 | 14,985 |
| Accounts receivable, net | 17,774 | 14,893 | 12,235 |
| Other current assets | 14,824 | 14,210 | 13,955 |
| Current financial assets | 2,289 | 3,393 | 3,971 |
| Cash and cash equivalents | 30,092 | 33,185 | 27,526 |
| Assets classified as held for sale | - | 2,747 | 413 |
| Total current assets | 81,985 | 84,948 | 73,085 |
| Total assets | 257,016 | 242,631 | 231,009 |
| LIABILITIES & SHAREHOLDERS' EQUITY | | | |
| Shareholders' equity | | | |
| Common shares | 8,207 | 7,882 | 7,667 |
| Paid-in surplus and retained earnings | 120,559 | 112,040 | 109,583 |
| Currency translation adjustment | (6,413) | (7,908) | (12,819) |
| Treasury shares | (1,166) | (458) | (600) |
| Total shareholders' equity - Group share | 121,187 | 111,556 | 103,831 |
| Non-controlling interests | 2,499 | 2,481 | 2,823 |
| Total shareholders' equity | 123,686 | 114,037 | 106,654 |
| Non-current liabilities | | | |
| Deferred income taxes | 11,943 | 10,828 | 10,936 |
| Employee benefits | 3,796 | 3,735 | 3,711 |
| Provisions and other non-current liabilities | 19,268 | 15,986 | 16,714 |
| Non-current financial debt | 40,257 | 41,340 | 42,017 |
| Total non-current liabilities | 75,264 | 71,889 | 73,378 |
| Current liabilities | | | |
| Accounts payable | 24,836 | 26,479 | 21,633 |
| Other creditors and accrued liabilities | 17,952 | 17,779 | 15,151 |
| Current borrowings | 14,909 | 11,096 | 13,582 |
| Other current financial liabilities | 369 | 245 | 277 |
| Liabilities directly associated with the assets classified as held for sale | - | 1,106 | 334 |
| Total current liabilities | 58,066 | 56,705 | 50,977 |
| Total liabilities & shareholders' equity | 257,016 | 242,631 | 231,009 |

CONSOLIDATED STATEMENT OF CASH FLOW

TOTAL

(unaudited)

| (M\$) | 1 st quarter 2018 | 4 th quarter 2017 | 1 st quarter 2017 |
|--|---------------------------------|---------------------------------|---------------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Consolidated net income | 2,649 | 730 | 2,779 |
| Depreciation, depletion, amortization and impairment | 3,046 | 5,857 | 4,660 |
| Non-current liabilities, valuation allowances and deferred taxes | 114 | (44) | (197) |
| (Gains) losses on disposals of assets | (125) | (71) | (2,232) |
| Undistributed affiliates' equity earnings | (259) | (54) | (295) |
| (Increase) decrease in working capital | (3,222) | 2,206 | (54) |
| Other changes, net | (122) | (9) | 40 |
| Cash flow from operating activities | 2,081 | 8,615 | 4,701 |
| CASH FLOW USED IN INVESTING ACTIVITIES | | | |
| Intangible assets and property, plant and equipment additions | (5,665) | (4,662) | (2,678) |
| Acquisitions of subsidiaries, net of cash acquired | (726) | (3) | (319) |
| Investments in equity affiliates and other securities | (162) | (231) | (523) |
| Increase in non-current loans | (171) | (207) | (158) |
| Total expenditures | (6,724) | (5,103) | (3,678) |
| Proceeds from disposals of intangible assets and property, plant and equipment | 1,978 | 901 | 6 |
| Proceeds from disposals of subsidiaries, net of cash sold | 3 | 213 | 2,696 |
| Proceeds from disposals of non-current investments | 188 | 5 | 9 |
| Repayment of non-current loans | 416 | 348 | 187 |
| Total divestments | 2,585 | 1,467 | 2,898 |
| Cash flow used in investing activities | (4,139) | (3,636) | (780) |
| CASH FLOW USED IN FINANCING ACTIVITIES | | | |
| Issuance (repayment) of shares: | | | |
| - Parent company shareholders | 9 | 33 | 15 |
| - Treasury shares | (558) | - | - |
| Dividends paid: | | | |
| - Parent company shareholders | (1,516) | (643) | (538) |
| - Non-controlling interests | (12) | (54) | (15) |
| Issuance of perpetual subordinated notes | - | - | - |
| Payments on perpetual subordinated notes | (150) | (57) | (129) |
| Other transactions with non-controlling interests | - | (2) | - |
| Net issuance (repayment) of non-current debt | (2,480) | 1,531 | 56 |
| Increase (decrease) in current borrowings | 1,707 | (878) | (1,413) |
| Increase (decrease) in current financial assets and liabilities | 1,155 | (916) | 658 |
| Cash flow used in financing activities | (1,845) | (986) | (1,366) |
| Net increase (decrease) in cash and cash equivalents | (3,903) | 3,993 | 2,555 |
| Effect of exchange rates | 810 | 609 | 374 |
| Cash and cash equivalents at the beginning of the period | 33,185 | 28,583 | 24,597 |
| Cash and cash equivalents at the end of the period | 30,092 | 33,185 | 27,526 |

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

TOTAL

(unaudited)

| (M\$) | 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, 2017 | 2,430,365,862 | 7,604 | 105,547 | (13,871) | (10,587,822) | (600) | 98,680 | 2,894 | 101,574 |
| Net income of the first quarter 2017 | - | - | 2,849 | - | - | - | 2,849 | (70) | 2,779 |
| Other comprehensive Income | - | - | 173 | 1,052 | - | - | 1,225 | 7 | 1,232 |
| Comprehensive Income | - | - | 3,022 | 1,052 | - | - | 4,074 | (63) | 4,011 |
| Dividend | - | - | - | - | - | - | - | (15) | (15) |
| Issuance of common shares | 23,571,852 | 63 | 987 | - | - | - | 1,050 | - | 1,050 |
| Purchase of treasury shares | - | - | - | - | - | - | - | - | - |
| Sale of treasury shares ⁽¹⁾ | - | - | - | - | - | - | - | - | - |
| Share-based payments | - | - | 44 | - | - | - | 44 | - | 44 |
| Share cancellation | - | - | - | - | - | - | - | - | - |
| Issuance of perpetual subordinated notes | - | - | - | - | - | - | - | - | - |
| Payments on perpetual subordinated notes | - | - | (69) | - | - | - | (69) | - | (69) |
| Other operations with non-controlling interests | - | - | (6) | - | - | - | (6) | 6 | - |
| Other items | - | - | 58 | - | - | - | 58 | 1 | 59 |
| As of march 31, 2017 | 2,453,937,714 | 7,667 | 109,583 | (12,819) | (10,587,822) | (600) | 103,831 | 2,823 | 106,654 |
| Net income from April 1 to December 31, 2017 | - | - | 5,782 | - | - | - | 5,782 | (262) | 5,520 |
| Other comprehensive Income | - | - | 545 | 4,911 | - | - | 5,456 | 37 | 5,493 |
| Comprehensive Income | - | - | 6,327 | 4,911 | - | - | 11,238 | (225) | 11,013 |
| Dividend | - | - | (6,992) | - | - | - | (6,992) | (126) | (7,118) |
| Issuance of common shares | 75,051,902 | 215 | 3,444 | - | - | - | 3,659 | - | 3,659 |
| Purchase of treasury shares | - | - | - | - | - | - | - | - | - |
| Sale of treasury shares ⁽¹⁾ | - | - | (142) | - | 2,211,066 | 142 | - | - | - |
| Share-based payments | - | - | 107 | - | - | - | 107 | - | 107 |
| Share cancellation | - | - | - | - | - | - | - | - | - |
| Issuance of perpetual subordinated notes | - | - | - | - | - | - | - | - | - |
| Payments on perpetual subordinated notes | - | - | (233) | - | - | - | (233) | - | (233) |
| Other operations with non-controlling interests | - | - | (2) | - | - | - | (2) | (2) | (4) |
| Other items | - | - | (52) | - | - | - | (52) | 11 | (41) |
| As of December 31, 2017 | 2,528,989,616 | 7,882 | 112,040 | (7,908) | (8,376,756) | (458) | 111,556 | 2,481 | 114,037 |
| Net income of the first quarter 2018 | - | - | 2,636 | - | - | - | 2,636 | 13 | 2,649 |
| Other comprehensive Income | - | - | 225 | 1,495 | - | - | 1,720 | 16 | 1,736 |
| Comprehensive Income | - | - | 2,861 | 1,495 | - | - | 4,356 | 29 | 4,385 |
| Dividend | - | - | - | - | - | - | - | (12) | (12) |
| Issuance of common shares | 104,830,551 | 325 | 5,675 | - | - | - | 6,000 | - | 6,000 |
| Purchase of treasury shares | - | - | - | - | (12,471,369) | (708) | (708) | - | (708) |
| Sale of treasury shares ⁽¹⁾ | - | - | - | - | - | - | - | - | - |
| Share-based payments | - | - | 129 | - | - | - | 129 | - | 129 |
| Share cancellation | - | - | - | - | - | - | - | - | - |
| Issuance of perpetual subordinated notes | - | - | - | - | - | - | - | - | - |
| Payments on perpetual subordinated notes | - | - | (81) | - | - | - | (81) | - | (81) |
| Other operations with non-controlling interests | - | - | (4) | - | - | - | (4) | 4 | - |
| Other items | - | - | (61) | - | - | - | (61) | (3) | (64) |
| As of march 31, 2018 | 2,633,820,167 | 8,207 | 120,559 | (6,413) | (20,848,125) | (1,166) | 121,187 | 2,499 | 123,686 |

⁽¹⁾ Treasury shares related to the restricted stock grants.

TOTAL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FIRST THREE MONTHS OF 2018

(unaudited)

1) Accounting policies

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

The interim consolidated financial statements of TOTAL S.A. and its subsidiaries (the Group) as of March 31, 2018, are presented in U.S. dollars and have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

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

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

The Group applied IFRS 15 as of January 1, 2018, without restating comparative information from past periods. The cumulative effect of the first application of the standard, recognized in equity as at January 1, 2018, is non-material. The new standard does not lead to any material change in the accounting principles applied by the Group.

- First time application of IFRS 9 "Financial Instruments"

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

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

The main changes induced by each component are the following:

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

The application of the provisions of IFRS 9 "Financial Instruments" has no significant effect on the Group's balance sheet, income statement and consolidated equity as of March 31, 2018.

The preparation of financial statements in accordance with IFRS for the closing as of March 31, 2018, requires the executive management to make estimates, assumptions and judgments that affect the information reported in the Consolidated Financial Statements and the Notes thereto.

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

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

The main estimates, judgments and assumptions relate to the estimation of hydrocarbon reserves in application of the successful efforts method for the oil and gas activities, the impairment of assets, the employee benefits, the asset retirement obligations and the income taxes. These estimates and assumptions are described in the Notes to the Consolidated Financial Statements as of December 31, 2017.

Furthermore, when the accounting treatment of a specific transaction is not addressed by any accounting standard or interpretation, the 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

➤ Exploration & Production

- On January 15, 2018, as part of the Strategic Alliance signed in March 2017, TOTAL announced the conclusion of transfer agreements from Petrobras to TOTAL:
 - 35% of the rights, as well as the role of operator in the Lapa field,
 - 22.5% of the rights of the lara area.The amount of this transaction is \$ 1.95 billion.
The details of the acquisition are presented in Note 2.2 to the consolidated financial statements.
- On March 1, 2018, TOTAL finalized the acquisition of Marathon Oil Libya Limited which holds a 16.33% stake in the Waha Concessions in Libya. This transaction amounts to \$ 451 millions.
The details of the acquisition are presented in Note 2.2 to the consolidated financial statements.
- On March 8, 2018, TOTAL announced the closing of the Maersk Oil acquisition signed on August 21, 2017. The integration of Maersk Oil, which holds a portfolio of high quality assets, largely complementary to those held by TOTAL, and mainly located in OECD countries, allows the Group to become the second largest operator in the North Sea.
The details of the acquisition are presented in Note 2.2 to the consolidated financial statements.
- On March 15, 2018, TOTAL finalized the sale to Statoil of all of its interests in the Martin Linge field (51%) and the discovery of Garantiana (40%) on the Norwegian Continental Shelf.
- On March 18, 2018, TOTAL was awarded participating interests in two Offshore Concessions on Umm Shaif & Nasr (20%) and Lower Zakum (5%) in return for the payment of a global bonus of \$ 1.45 billion.

➤ Marketing & Services

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

2.2) Major business combinations

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

➤ Exploration & Production

• Transfer of rights in the Lapa and lara concessions in Brazil

On January 15, 2018 Petrobras transferred to TOTAL 35% of the rights of the Lapa field which was put in production in December 2016, with a 100,000 barrel per day capacity FPSO. Petrobras also transferred to TOTAL 22.5% of the rights of the lara area. Production in lara is expected to start in 2018 and 2019 depending on the fields.

The acquisition cost amounts to \$1,950 million.

In the balance sheet as of March 31, 2018, the provisional fair value of identifiable acquired assets, liabilities and contingent liabilities amounts to \$1,950 million.

The provisional purchase price allocation is shown below :

| (\$ million) | At the acquisition date |
|--|-------------------------|
| Intangible assets | 1,072 |
| Tangible assets | 1,662 |
| Other assets and liabilities | (119) |
| Net debt | (665) |
| Fair value of consideration transferred | 1,950 |

• Marathon Oil Lybia Limited

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

In the balance sheet as of March 31, 2018, the provisional fair value of identifiable acquired assets, liabilities and contingent liabilities amounts to \$451 million.

The provisional purchase price allocation is shown below :

| (\$ million) | At the acquisition date |
|--|-------------------------|
| Intangible assets | 400 |
| Tangible assets | 118 |
| Other assets and liabilities | (91) |
| Net debt | 24 |
| Fair value of consideration transferred | 451 |

- **Maersk Oil**

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

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

In the balance sheet as of March 31, 2018, the provisional fair value of identifiable acquired assets, liabilities and contingent liabilities amounts to \$3,141 million.

The Group recognized a \$2,600 million goodwill.

The provisional purchase price allocation is shown below:

| (\$ million) | At the acquisition date |
|---|-------------------------|
| <i>Goodwill</i> | 2,600 |
| Intangible assets | 4,298 |
| Tangible assets | 4,090 |
| Other assets and liabilities | (3,323) |
| <i>Including provision for site restitution</i> | (2,095) |
| <i>Including deferred tax</i> | (783) |
| Net debt | (1,924) |
| Fair value of consideration transferred | 5,741 |

3) Adjustment items

Description of the business segments

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

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

Sales prices between business segments approximate market prices.

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

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

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

Adjustment items

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

Adjustment items include:

(i) Special items

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

(ii) The inventory valuation effect

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

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

(iii) Effect of changes in fair value

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

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

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

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

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

ADJUSTMENTS TO OPERATING INCOME

| (M\$) | | Exploration & Production | Gas, Renewables & Power | Refining & Chemicals | Marketing & Services | Corporate | Total |
|------------------------------------|---------------------------------|--------------------------------|-------------------------------|----------------------------|----------------------------|------------|----------------|
| 1st quarter 2018 | Inventory valuation effect | - | - | (38) | (29) | - | (67) |
| | Effect of changes in fair value | - | (11) | - | - | - | (11) |
| | Restructuring charges | (53) | - | - | - | - | (53) |
| | Asset impairment charges | - | (22) | - | - | - | (22) |
| | Other items | - | (92) | - | - | (9) | (101) |
| Total | | (53) | (125) | (38) | (29) | (9) | (254) |
| 1st quarter 2017 | Inventory valuation effect | - | - | 83 | (15) | - | 68 |
| | Effect of changes in fair value | - | - | - | - | - | - |
| | Restructuring charges | - | - | - | - | - | - |
| | Asset impairment charges | (1,854) | (26) | (50) | - | - | (1,930) |
| | Other items | - | (89) | (26) | - | - | (115) |
| Total | | (1,854) | (115) | 7 | (15) | - | (1,977) |

ADJUSTMENTS TO NET INCOME, GROUP SHARE

| (M\$) | | Exploration & Production | Gas, Renewables & Power | Refining & Chemicals | Marketing & Services | Corporate | Total |
|------------------------------------|---------------------------------------|--------------------------------|-------------------------------|----------------------------|----------------------------|------------|--------------|
| 1st quarter 2018 | Inventory valuation effect | - | - | (24) | (21) | - | (45) |
| | Effect of changes in fair value | - | (8) | - | - | - | (8) |
| | Restructuring charges | (15) | (6) | - | - | - | (21) |
| | Asset impairment charges | - | (12) | - | - | - | (12) |
| | Gains (losses) on disposals of assets | (101) | - | - | - | - | (101) |
| | Other items | 20 | (55) | (17) | - | (9) | (61) |
| Total | | (96) | (81) | (41) | (21) | (9) | (248) |
| 1st quarter 2017 | Inventory valuation effect | - | - | 58 | (3) | - | 55 |
| | Effect of changes in fair value | - | - | - | - | - | - |
| | Restructuring charges | - | (5) | - | - | - | (5) |
| | Asset impairment charges | (1,614) | (54) | (50) | - | - | (1,718) |
| | Gains (losses) on disposals of assets | - | - | 2,139 | - | - | 2,139 |
| | Other items | (94) | (67) | (19) | - | - | (180) |
| Total | | (1,708) | (126) | 2,128 | (3) | - | 291 |

4) Shareholders' equity

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

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

At March 31, 2018, TOTAL S.A. holds 20,848,125 of its own shares, representing 0.79% of its share capital, detailed as follows:

- 8,345,847 shares allocated to TOTAL share grant plans for Group employees;
- 30,909 shares intended to be allocated to new TOTAL share purchase option plans or to new share grant plans;
- 12,471,369 shares acquired during the first three months and intended to be canceled out of which:
 - 9,820,488 shares definitively acquired,
 - 2,650,881 shares corresponding to the portion not yet executed at March 31, 2018, of the share buyback for which the group is contractually bound.

These shares are deducted from the consolidated shareholders' equity.

Dividend

For the fiscal year 2017, TOTAL S.A. already paid three quarterly interim dividends:

- Payment of the first interim dividend for the fiscal year 2017 of €0.62 per share, decided by the Board of Directors on September 20, 2017, has been done in cash or in shares on October 12, 2017 (the ex-dividend date was September 25, 2017). The number of shares issued in lieu of the cash dividend was based on the dividend amount divided by €41.12 per share, equal to the average Euronext Paris opening price of the shares for the 20 trading days preceding the Board of the Directors meeting on September 20, 2017, reduced by the amount of the first interim dividend, with a 5% discount. On October 12, 2017, 25,633,559 shares have been issued at a price of €41.12 per share.
- Payment of the second interim dividend for the fiscal year 2017 of €0.62 per share, decided by the Board of Directors on December 12, 2017, has been done in cash or in shares on January 11, 2018 (the ex-dividend date was December 19, 2017). The number of shares issued in lieu of the cash dividend was based on the dividend amount divided by €46.55 per share, equal to the average Euronext Paris opening price of the shares for the 20 trading days preceding the Board of Directors meeting, reduced by the amount of the second interim dividend, without any discount. On January 11, 2018, 7,087,904 shares have been issued at a price of €46.55 per share.
- Payment of the three interim dividend for the fiscal year 2017 of €0.62 per share, decided by the Board of Directors on March 14, 2018, has been done in cash or in shares on April 9, 2018 (the ex-dividend date was March 19, 2018). The number of shares issued in lieu of the cash dividend was based on the dividend amount divided by €45.70 per share, equal to the average Euronext Paris opening price of the shares for the 20 trading days preceding the Board of Directors meeting, reduced by the amount of the second interim dividend, without any discount. On April 9, 2018, 15,559,601 shares have been issued at a price of €45.70 per share.

A resolution will be submitted at the shareholders' meeting on June 1, 2018, to pay a dividend of €2.48 per share for the 2017 fiscal year, as a balance of €0.62 per share to be distributed after deducting the three quarterly interim dividends of €0.62 per share that have already been paid.

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

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 €0.81 per share for the 1st quarter 2018 (€0.29 per share for the 4th quarter 2017 and €1.07 per share for the 1st quarter 2017). Diluted earnings per share calculated using the same method amounted to €0.81 per share for the 1st quarter 2018 (€0.28 per share for the 4th quarter 2017 and €1.06 per share for the 1st quarter 2017).

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

Other comprehensive income

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

| (M\$) | 1 st quarter 2018 | 1 st quarter 2017 |
|---|------------------------------|------------------------------|
| Actuarial gains and losses | 25 | 126 |
| Change in fair value of investments in equity instruments | 7 | - |
| Tax effect | 2 | (41) |
| Currency translation adjustment generated by the parent company | 2,131 | 940 |
| Sub-total items not potentially reclassifiable to profit and loss | 2,165 | 1,025 |
| Currency translation adjustment | (362) | (200) |
| - unrealized gain/(loss) of the period | (254) | (228) |
| - less gain/(loss) included in net income | 108 | (28) |
| Available for sale financial assets | - | (1) |
| - unrealized gain/(loss) of the period | - | (1) |
| - less gain/(loss) included in net income | - | - |
| Cash flow hedge | 178 | 113 |
| - unrealized gain/(loss) of the period | 214 | 98 |
| - less gain/(loss) included in net income | 36 | (15) |
| Variation of foreign currency basis spread | (29) | - |
| - unrealized gain/(loss) of the period | (29) | - |
| - less gain/(loss) included in net income | - | - |
| Share of other comprehensive income of equity affiliates, net amount | (168) | 331 |
| - unrealized gain/(loss) of the period | (129) | 331 |
| - less gain/(loss) included in net income | 39 | - |
| Other | - | 3 |
| Tax effect | (48) | (39) |
| Sub-total items potentially reclassifiable to profit and loss | (429) | 207 |
| Total other comprehensive income, net amount | 1,736 | 1,232 |

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

| (M\$) | 1 st quarter 2018 | | | 1 st quarter 2017 | | |
|--|------------------------------|-------------|--------------|------------------------------|-------------|--------------|
| | Pre-tax amount | Tax effect | Net amount | Pre-tax amount | Tax effect | Net amount |
| Actuarial gains and losses | 25 | 4 | 29 | 126 | (41) | 85 |
| Change in fair value of investments in equity instruments | 7 | (2) | 5 | - | - | - |
| Currency translation adjustment generated by the parent company | 2,131 | - | 2,131 | 940 | - | 940 |
| Sub-total items not potentially reclassifiable to profit and loss | 2,163 | 2 | 2,165 | 1,066 | (41) | 1,025 |
| Currency translation adjustment | (362) | - | (362) | (200) | - | (200) |
| Available for sale financial assets | - | - | - | (1) | - | (1) |
| Cash flow hedge | 178 | (58) | 120 | 113 | (39) | 74 |
| Variation of foreign currency basis spread | (29) | 10 | (19) | - | - | - |
| Share of other comprehensive income of equity affiliates, net amount | (168) | - | (168) | 331 | - | 331 |
| Other | - | - | - | 3 | - | 3 |
| Sub-total items potentially reclassifiable to profit and loss | (381) | (48) | (429) | 246 | (39) | 207 |
| Total other comprehensive income | 1,782 | (46) | 1,736 | 1,312 | (80) | 1,232 |

5) Financial debt

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

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

- Bond 1,45% 2013-2018 (USD 1,000 million)

6) Related parties

The related parties are principally equity affiliates and non-consolidated investments. There were no major changes concerning transactions with related parties during the first three months of 2018.

7) Other risks and contingent liabilities

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

Alitalia

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

FERC

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

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

| 1 st quarter 2018 (M\$) | Exploration & Production | Gas, Renewables & Power | Refining & Chemicals | Marketing & Services | Corporate | Intercompany | Total |
|---|--------------------------------|-------------------------------|----------------------------|----------------------------|--------------|-----------------|---------------|
| Non-Group sales | 2,467 | 4,091 | 21,739 | 21,308 | 6 | - | 49,611 |
| Intersegment sales | 6,924 | 468 | 7,956 | 198 | 97 | (15,643) | - |
| Excise taxes | - | - | (847) | (5,472) | - | - | (6,319) |
| Revenues from sales | 9,391 | 4,559 | 28,848 | 16,034 | 103 | (15,643) | 43,292 |
| Operating expenses | (4,045) | (4,526) | (27,879) | (15,503) | (277) | 15,643 | (36,587) |
| Depreciation, depletion and impairment of tangible assets and mineral interests | (2,350) | (70) | (313) | (174) | (9) | - | (2,916) |
| Operating income | 2,996 | (37) | 656 | 357 | (183) | - | 3,789 |
| Net income (loss) from equity affiliates and other items | 641 | 34 | 128 | 86 | (2) | - | 887 |
| Tax on net operating income | (1,550) | (15) | (104) | (103) | 96 | - | (1,676) |
| Net operating income | 2,087 | (18) | 680 | 340 | (89) | - | 3,000 |
| Net cost of net debt | | | | | | | (351) |
| Non-controlling interests | | | | | | | (13) |
| Net income - group share | | | | | | | 2,636 |

| 1 st quarter 2018 (adjustments) ^(a) (M\$) | Exploration & Production | Gas, Renewables & Power | Refining & Chemicals | Marketing & Services | Corporate | Intercompany | Total |
|---|--------------------------------|-------------------------------|----------------------------|----------------------------|------------|--------------|--------------|
| Non-Group sales | - | (11) | - | - | - | - | (11) |
| Intersegment sales | - | - | - | - | - | - | - |
| Excise taxes | - | - | - | - | - | - | - |
| Revenues from sales | - | (11) | - | - | - | - | (11) |
| Operating expenses | (53) | (92) | (38) | (29) | (9) | - | (221) |
| Depreciation, depletion and impairment of tangible assets and mineral interests | - | (22) | - | - | - | - | (22) |
| Operating income^(b) | (53) | (125) | (38) | (29) | (9) | - | (254) |
| Net income (loss) from equity affiliates and other items | (101) | (11) | (21) | (1) | - | - | (134) |
| Tax on net operating income | 58 | 3 | 19 | 3 | - | - | 83 |
| Net operating income^(b) | (96) | (133) | (40) | (27) | (9) | - | (305) |
| Net cost of net debt | | | | | | | (10) |
| Non-controlling interests | | | | | | | 67 |
| Net income - group share | | | | | | | (248) |

^(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 | - | - | (38) | (29) | - | |
| - On net operating income | - | - | (23) | (27) | - | |

| 1 st quarter 2018 (adjusted) (M\$) | Exploration & Production | Gas, Renewables & Power | Refining & Chemicals | Marketing & Services | Corporate | Intercompany | Total |
|---|--------------------------------|-------------------------------|----------------------------|----------------------------|--------------|-----------------|---------------|
| Non-Group sales | 2,467 | 4,102 | 21,739 | 21,308 | 6 | - | 49,622 |
| Intersegment sales | 6,924 | 468 | 7,956 | 198 | 97 | (15,643) | - |
| Excise taxes | - | - | (847) | (5,472) | - | - | (6,319) |
| Revenues from sales | 9,391 | 4,570 | 28,848 | 16,034 | 103 | (15,643) | 43,303 |
| Operating expenses | (3,992) | (4,434) | (27,841) | (15,474) | (268) | 15,643 | (36,366) |
| Depreciation, depletion and impairment of tangible assets and mineral interests | (2,350) | (48) | (313) | (174) | (9) | - | (2,894) |
| Adjusted operating income | 3,049 | 88 | 694 | 386 | (174) | - | 4,043 |
| Net income (loss) from equity affiliates and other items | 742 | 45 | 149 | 87 | (2) | - | 1,021 |
| Tax on net operating income | (1,608) | (18) | (123) | (106) | 96 | - | (1,759) |
| Adjusted net operating income | 2,183 | 115 | 720 | 367 | (80) | - | 3,305 |
| Net cost of net debt | | | | | | | (341) |
| Non-controlling interests | | | | | | | (80) |
| Adjusted net income - group share | | | | | | | 2,884 |

| 1 st quarter 2018 (M\$) | Exploration & Production | Gas, Renewables & Power | Refining & Chemicals | Marketing & Services | Corporate | Intercompany | Total |
|---|--------------------------------|-------------------------------|----------------------------|----------------------------|-----------|--------------|-------|
| Total expenditures | 5,871 | 249 | 332 | 228 | 44 | - | 6,724 |
| Total divestments | 2,251 | 78 | 25 | 228 | 3 | - | 2,585 |
| Cash flow from operating activities (*) | 3,569 | (179) | (1,109) | (60) | (140) | - | 2,081 |

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

| 1 st quarter 2017 (M\$) | Exploration & Production | Gas, Renewables & Power | Refining & Chemicals | Marketing & Services | Corporate | Intercompany | Total |
|---|--------------------------------|-------------------------------|----------------------------|----------------------------|--------------|-----------------|---------------|
| Non-Group sales | 2,103 | 3,197 | 18,574 | 17,298 | 11 | - | 41,183 |
| Intersegment sales | 5,548 | 309 | 6,346 | 274 | 105 | (12,582) | - |
| Excise taxes | - | - | (701) | (4,389) | - | - | (5,090) |
| Revenues from sales | 7,651 | 3,506 | 24,219 | 13,183 | 116 | (12,582) | 36,093 |
| Operating expenses | (3,687) | (3,469) | (22,878) | (12,665) | (233) | 12,582 | (30,350) |
| Depreciation, depletion and impairment of tangible assets and mineral interests | (4,068) | (72) | (287) | (144) | (8) | - | (4,579) |
| Operating income | (104) | (35) | 1,054 | 374 | (125) | - | 1,164 |
| Net income (loss) from equity affiliates and other items | 190 | (45) | 2,453 | 30 | 22 | - | 2,650 |
| Tax on net operating income | (439) | (37) | (356) | (108) | 171 | - | (769) |
| Net operating income | (353) | (117) | 3,151 | 296 | 68 | - | 3,045 |
| Net cost of net debt | | | | | | | (266) |
| Non-controlling interests | | | | | | | 70 |
| Net income - group share | | | | | | | 2,849 |

| 1 st quarter 2017 (adjustments) ^(a) (M\$) | Exploration & Production | Gas, Renewables & Power | Refining & Chemicals | Marketing & Services | Corporate | Intercompany | Total |
|---|--------------------------------|-------------------------------|----------------------------|----------------------------|-----------|--------------|----------------|
| Non-Group sales | - | - | - | - | - | - | - |
| Intersegment sales | - | - | - | - | - | - | - |
| Excise taxes | - | - | - | - | - | - | - |
| Revenues from sales | - | - | - | - | - | - | - |
| Operating expenses | - | (89) | 57 | (15) | - | - | (47) |
| Depreciation, depletion and impairment of tangible assets and mineral interests | (1,854) | (26) | (50) | - | - | - | (1,930) |
| Operating income^(b) | (1,854) | (115) | 7 | (15) | - | - | (1,977) |
| Net income (loss) from equity affiliates and other items | (210) | (63) | 2,209 | 5 | - | - | 1,941 |
| Tax on net operating income | 329 | - | (88) | 5 | - | - | 246 |
| Net operating income^(b) | (1,735) | (178) | 2,128 | (5) | - | - | 210 |
| Net cost of net debt | | | | | | | (7) |
| Non-controlling interests | | | | | | | 88 |
| Net income - group share | | | | | | | 291 |

^(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 | - | - | 83 | (15) | - | |
| - On net operating income | - | - | 58 | (5) | - | |

| 1 st quarter 2017 (adjusted) (M\$) | Exploration & Production | Gas, Renewables & Power | Refining & Chemicals | Marketing & Services | Corporate | Intercompany | Total |
|---|--------------------------------|-------------------------------|----------------------------|----------------------------|--------------|-----------------|---------------|
| Non-Group sales | 2,103 | 3,197 | 18,574 | 17,298 | 11 | - | 41,183 |
| Intersegment sales | 5,548 | 309 | 6,346 | 274 | 105 | (12,582) | - |
| Excise taxes | - | - | (701) | (4,389) | - | - | (5,090) |
| Revenues from sales | 7,651 | 3,506 | 24,219 | 13,183 | 116 | (12,582) | 36,093 |
| Operating expenses | (3,687) | (3,380) | (22,935) | (12,650) | (233) | 12,582 | (30,303) |
| Depreciation, depletion and impairment of tangible assets and mineral interests | (2,214) | (46) | (237) | (144) | (8) | - | (2,649) |
| Adjusted operating income | 1,750 | 80 | 1,047 | 389 | (125) | - | 3,141 |
| Net income (loss) from equity affiliates and other items | 400 | 18 | 244 | 25 | 22 | - | 709 |
| Tax on net operating income | (768) | (37) | (268) | (113) | 171 | - | (1,015) |
| Adjusted net operating income | 1,382 | 61 | 1,023 | 301 | 68 | - | 2,835 |
| Net cost of net debt | | | | | | | (259) |
| Non-controlling interests | | | | | | | (18) |
| Adjusted net income - group share | | | | | | | 2,558 |

| 1 st quarter 2017 (M\$) | Exploration & Production | Gas, Renewables & Power | Refining & Chemicals | Marketing & Services | Corporate | Intercompany | Total |
|---|--------------------------------|-------------------------------|----------------------------|----------------------------|-----------|--------------|-------|
| Total expenditures | 2,636 | 315 | 266 | 439 | 22 | - | 3,678 |
| Total divestments | 113 | 4 | 2,740 | 36 | 5 | - | 2,898 |
| Cash flow from operating activities (*) | 2,801 | 140 | 1,762 | 331 | (333) | - | 4,701 |

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

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

| 1 st quarter 2018 (M\$) | Adjusted | Adjustments ^(a) | Consolidated statement of income |
|---|---------------|----------------------------|--|
| Sales | 49,622 | (11) | 49,611 |
| Excise taxes | (6,319) | - | (6,319) |
| Revenues from sales | 43,303 | (11) | 43,292 |
| Purchases net of inventory variation | (29,360) | (86) | (29,446) |
| Other operating expenses | (6,802) | (135) | (6,937) |
| Exploration costs | (204) | - | (204) |
| Depreciation, depletion and impairment of tangible assets and mineral interests | (2,894) | (22) | (2,916) |
| Other income | 374 | 149 | 523 |
| Other expense | (60) | (130) | (190) |
| Financial interest on debt | (380) | (10) | (390) |
| Financial income and expense from cash & cash equivalents | (41) | - | (41) |
| Cost of net debt | (421) | (10) | (431) |
| Other financial income | 240 | - | 240 |
| Other financial expense | (170) | - | (170) |
| Net income (loss) from equity affiliates | 637 | (153) | 484 |
| Income taxes | (1,679) | 83 | (1,596) |
| Consolidated net income | 2,964 | (315) | 2,649 |
| Group share | 2,884 | (248) | 2,636 |
| Non-controlling interests | 80 | (67) | 13 |

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

| 1 st quarter 2017 (M\$) | Adjusted | Adjustments ^(a) | Consolidated statement of income |
|---|---------------|----------------------------|--|
| Sales | 41,183 | - | 41,183 |
| Excise taxes | (5,090) | - | (5,090) |
| Revenues from sales | 36,093 | - | 36,093 |
| Purchases net of inventory variation | (23,990) | 3 | (23,987) |
| Other operating expenses | (6,116) | (50) | (6,166) |
| Exploration costs | (197) | - | (197) |
| Depreciation, depletion and impairment of tangible assets and mineral interests | (2,649) | (1,930) | (4,579) |
| Other income | 108 | 2,217 | 2,325 |
| Other expense | (58) | (233) | (291) |
| Financial interest on debt | (324) | (7) | (331) |
| Financial income and expense from cash & cash equivalents | (11) | - | (11) |
| Cost of net debt | (335) | (7) | (342) |
| Other financial income | 228 | - | 228 |
| Other financial expense | (160) | - | (160) |
| Net income (loss) from equity affiliates | 591 | (43) | 548 |
| Income taxes | (939) | 246 | (693) |
| Consolidated net income | 2,576 | 203 | 2,779 |
| Group share | 2,558 | 291 | 2,849 |
| Non-controlling interests | 18 | (88) | (70) |

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

10) Post-closing and other events

➤ **Exploration & Production**

- On April 11, 2018, TOTAL announced the acquisition of several assets located in the Gulf of Mexico as part of the Cobalt International Energy company's bankruptcy auction sale.