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# Total Capital International

**Statutory Auditors' Review Report  
on the Half-yearly Financial Information**

For the period from January 1 to June 30, 2016  
Total Capital International  
2, place Jean Millier - La Défense 6 - 92400 Courbevoie  
*This report contains 15 pages*



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

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## **Total Capital International**

Registered office: 2, place Jean Millier - La Défense 6 - 92400 Courbevoie  
Share capital: €300.000

Statutory Auditors' Review Report on the Half-yearly Financial Information

For the period from January 1 to June 30, 2016

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meetings 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 financial statements of Total Capital International, for the period from January 1 to June 30, 2016,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly financial statements are the responsibility of the 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 financial statements are not prepared, in all

material respects, in accordance with accounting rules and principles applicable in France.

## **II. Specific verification**

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

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

Paris La Défense, July 27, 2016

The statutory auditors

French original signed by

Michel Piette  
*Partner*

Yvon Salaün  
*Partner*

**TOTAL CAPITAL INTERNATIONAL  
2 PLACE JEAN MILLIER  
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**CONDENSED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2016**

- BALANCE SHEET AS OF 30 JUNE 2016
- INCOME STATEMENT AS OF 30 JUNE 2016
- CASH FLOW STATEMENT AS OF 30 JUNE 2016
- APPENDIX

TOTAL CAPITAL INTERNATIONAL

**BALANCE SHEET  
AS OF 30 JUNE 2016**

## BALANCE SHEET AS OF JUNE, 30 2016

ASSETS	30-Jun-16			31-Dec-15	LIABILITIES	30-Jun-16	31-Dec-15
	Gross	Amortizations depreciations and provisions	Net				
<b>FIXED ASSETS</b>							
<b>FINANCIAL ASSETS (note 2)</b>							
Long-term loans	21,710,570,995		21,710,570,995	22,813,794,475	Capital	300,000	300,000
Drawdowns on credit facilities	21,663,927,494		21,663,927,494	22,780,648,759	Reserves	2,079,796	1,038,798
Accrued interests on long-term loans	46,643,501		46,643,501	33,145,716	Legal Reserves	30,000	30,000
Accrued interests on credit facilities					Retained Earnings	2,049,796	1,008,798
					Income for fiscal year	2,740,656	6,020,998
<b>SUB TOTAL I</b>	<b>21,710,570,995</b>		<b>21,710,570,995</b>	<b>22,813,794,475</b>	<b>SUB TOTAL I</b>	<b>5,120,452</b>	<b>7,359,796</b>
					<b>PROVISIONS</b>		
<b>CURRENT ASSETS</b>					<b>SUB TOTAL II</b>		
<b>ACCOUNTS RECEIVABLE</b>					<b>LIABILITIES</b>		
Current accounts and inter-company loans	4,646,378		4,646,378	7,422,166	Debtenture loans and similar debt debentures (note 4)	21,709,425,578	22,812,449,834
Related accounts receivable	4,504,666		4,504,666	7,422,166	Debtenture loans after hedge swaps	21,663,927,493	22,780,648,759
Other receivables	141,712		141,712		Accrued interests on debtenture loans	45,498,085	31,801,075
Accrued income / dedicated swaps					Miscellaneous borrowings and financial debts	14,735	25,975
					Commercial Papers		
					Banks and security deposits	14,730	25,975
					Creditor current accounts		
					Related accounts payables / miscellaneous financial liabilities		
					Accrued liabilities / dedicated swaps		
					Miscellaneous creditors		
					Dividends payable		
					Operating liabilities	656,608	1,381,036
					Trade notes and accounts payable	656,608	100,000
					Tax and social liabilities		1,281,036
<b>SUB TOTAL II</b>	<b>4,646,378</b>		<b>4,646,378</b>	<b>7,422,166</b>	<b>SUB TOTAL III</b>	<b>21,710,096,921</b>	<b>22,813,856,845</b>
<b>PREPAID EXPENSES III</b>					<b>PREPAID INCOME IV</b>		
<b>TOTAL (I+II+III)</b>	<b>EUR 21,715,217,373</b>		<b>21,715,217,373</b>	<b>22,821,216,641</b>	<b>TOTAL (I+II+III+IV)</b>	<b>EUR 21,715,217,373</b>	<b>22,821,216,641</b>

TOTAL CAPITAL INTERNATIONAL

**INCOME STATEMENT  
AS OF 30 JUNE 2016**



## TOTAL CAPITAL INTERNATIONAL

( in Euros )

## INCOME STATEMENT AS OF JUNE, 30 2016

EXPENSES	30-Jun-16	31-Dec-15	30-Jun-15	INCOME	30-Jun-16	31-Dec-15	30-Jun-15
<b>OPERATING EXPENSES</b>				<b>OPERATING INCOME</b>			
External expenses	1,112,679	1,965,961	1,129,986	Miscellaneous income			
Taxes		1,140	1,031				
<b>SUB TOTAL I</b>	<b>1,112,679</b>	<b>1,967,101</b>	<b>1,131,017</b>	<b>SUB TOTAL I</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FINANCIAL EXPENSES</b>				<b>FINANCIAL INCOME</b>			
Interests on debenture loans after swaps				Interests on long-term loans	150,477,517	231,454,404	110,355,203
Interests on commercial papers	144,926,602	221,201,686	105,570,699	Interests on credit facilities			
Interests on Billets de Trésorerie				Interests on inter-company loans			
Interests on loans	71	364	39	Interests on current accounts	16,248	9,113	4,097
Interests on current accounts				Interests on bank deposits			
Interests on bank deposits				Income from dedicated swaps			
Interests on dedicated swaps				Other interests and similar income			
Other financial expenses	293,660			Foreign exchange income		850,249	492,693
Foreign exchange loss				Diverse financial interests			
Diverse financial expenses							
<b>SUB TOTAL II</b>	<b>145,220,333</b>	<b>221,202,050</b>	<b>105,570,738</b>	<b>SUB TOTAL II</b>	<b>150,493,765</b>	<b>232,313,766</b>	<b>110,851,993</b>
<b>EXTRAORDINARY EXPENSES</b>				<b>EXTRAORDINARY INCOME</b>			
<b>SUB TOTAL III</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>SUB TOTAL III</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>INCOME TAX IV</b>	<b>1,420,097</b>	<b>3,123,617</b>	<b>1,416,476</b>				
<b>NET INCOME FOR THE PERIOD</b>	<b>2,740,656</b>	<b>6,020,998</b>	<b>2,733,762</b>	<b>NET LOSS FOR THE FISCAL YEAR</b>			
<b>TOTAL</b>	<b>EUR 150,493,765</b>	<b>EUR 232,313,766</b>	<b>EUR 110,851,993</b>	<b>TOTAL</b>	<b>EUR 150,493,765</b>	<b>EUR 232,313,766</b>	<b>EUR 110,851,993</b>

TOTAL CAPITAL INTERNATIONAL

**CASH FLOW STATEMENT  
AS OF 30 JUNE 2016**

**CASH FLOW STATEMENT**

in thousand of euros

	30-Jun-16	31-Dec-15
<b><u>OPERATING CASH FLOW</u></b>		
Fiscal period income as of 31.12.2015		6,021
Fiscal period income as of 30.06.2016	2,741	
Decrease (increase) of working capital requirement	(1,423)	105
<b>Net Operating Cash Flow</b>	<b>1,318</b>	<b>6,126</b>
<b><u>INVESTMENT CASH FLOW</u></b>		
Increase in long-term loans	(171,859)	(4,439,271)
Repayment of long-term loans	829,872	3,463,083
<b>Net Investment Cash Flow</b>	<b>658,013</b>	<b>(976,188)</b>
<b><u>FINANCING CASH FLOW</u></b>		
Dividends paid	(4,980)	(3,282)
Net loans issued	(674,434)	975,621
Changes in short-term financial liabilities	570	(1,669)
Changes in short-term receivables	2,760	(1,187)
<b>Net Financing Cash Flow</b>	<b>(676,084)</b>	<b>969,483</b>
Cash increase (decrease)	(16,753)	(800)
Impact of foreign exchange fluctuations	16,753	800
Cash at the beginning of the period	0	0
<b>Cash at the end of the period</b>	<b>0</b>	<b>0</b>

## APPENDIX

## APPENDIX

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Those interim financial statements were prepared with respect to the French National Accounting Board (Conseil National de Comptabilité) "recommendation n°99.R.01" dated 18 march 1999 and related to the interim financial statements. They do not include all the information usually required in the financial statements according to the French GAAP. However, they present a selection of notes describing significant facts and operations in order to understand the evolution in the financial statements and performance of the company that could have occurred since the last financial statement as of 31st December 2015.

## **SIGNIFICANT EVENTS**

During the first semester of 2016, Total Capital International continued its activity on debt capital markets through various debt issuance programmes. In the first semester of 2016, Total Capital International did not issue any debenture loan.

For long-term borrowings, Total Capital International can issue along with TOTAL S.A., TOTAL Capital and Total Capital Canada Ltd., as principal issuer under the EMTN programme (guaranteed by TOTAL S.A.), on a US SEC Registered Shelf programme (guaranteed by TOTAL S.A.), under an AMTN programme in Australia (guaranteed by TOTAL S.A.) and on a stand-alone basis (guaranteed by TOTAL S.A.) on the Swiss market.

Total Capital International's issue programmes have a long term and a short term ratings by Standard and Poor's: A+/A-1 with a negative outlook, and by Moody's: Aa3/P-1 with a stable outlook. These ratings were made possible thanks to TOTAL S.A.'s guarantee granted to these programmes.

On April, 8<sup>th</sup> Moody's, following a complete review of the oil sector, decided to downgrade the rating of the long term debt of Total from Aa1 to Aa3 with a stable perspective.

In addition, Standard & Poors decided on February, 22<sup>nd</sup> to downgrade the rating of the long term debt of Total from AA- to A+ and the short term debt from A-1+ to A-1. The long term debt has a negative perspective.

Interest rates and currency transactions were concluded by empowered entities of Total S.A. in association with the development of the financial activities of Total Capital International, towards the Group as well as the market.

## **Note 1: ACCOUNTING RULES**

Accounting rules and methods used for interim accounts are the same as the ones used for Year End 2015 accounts.

## TOTAL CAPITAL INTERNATIONAL

### Note 2 : FINANCIAL ASSETS

Financial fixed assets of Total Capital International are comprised of long-term loans in USD with Total Finance for an amount of 18.108 B EUR and with Total S.A. for an amount of 3.556 B EUR.

### Note 3: CHANGES IN SHAREHOLDERS' EQUITY

in thousand of euros

2015	POSITION AT THE OPENING OF FISCAL YEAR	NET INCOME APPROPRIATION 2014	POSITION AS OF 31/12/2015
Share capital	300		300
Legal reserve	30		30
Retained earnings	709	300	1,009
Income for fiscal year 2014	3,582	(3,582)	0
Dividend distribution		3,282	
Income as of 31/12/2015			6,021
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>4,621</b>	<b>0</b>	<b>7,360</b>

in thousand of euros

2016	POSITION AT THE OPENING OF FISCAL YEAR	NET INCOME APPROPRIATION 2015	POSITION AS OF 30/06/2016
Share capital	300		300
Legal reserve	30		30
Retained earnings	1,009	1,041	2,050
Income for fiscal year 2015	6,021	(6,021)	0
Dividend distribution		4,980	
Income as of 30/06/2016			2,740
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>7,360</b>	<b>0</b>	<b>5,120</b>

### NOTE 4: DEBENTURE LOANS AND SIMILAR DEBT DEBENTURES

No debenture loans issued during the period.

Reimbursement of debenture loans at maturity are, in nominal value of 750 M USD

### Note 5: OFF-BALANCE SHEET COMMITMENTS

#### *Derivative Financial Products - Interest rate risk*

Interest rate swaps matched to bonds reimbursed over the period have matured for a total nominal amount of 750 M USD.