

## TOTAL S.A.

Head office: 2, place Jean Millier  
La Défense 6-92400 Courbevoie  
Nanterre Trade and Companies Register 542 051 180  
Share capital : €5,945,861,837.50

Paris, September 17, 2014

### PRESS RELEASE

TOTAL S.A. is launching a capital increase program reserved for employees and former employees of the TOTAL group (the "Group"), the principal terms of which are described below. Through this program, TOTAL S.A. intends to further associate its employees with the Group's business and growth. As of December 31, 2013, employees held 4.72%<sup>1</sup> of the Company's shares.

#### ISSUER

#### TOTAL S.A (the "Company")

**Head office:** 2, place Jean Millier - La Défense 6 - 92400 Courbevoie  
**Share capital:** €5,945,861,837.50 (*i.e.*, 2,378,344,735 shares) as of July 1, 2014  
**Nanterre TCR Number:** 542 051 180

#### Classification

**Industry:** Oil and Gas  
**Sector:** Oil and Gas Producers  
**Subsector:** Integrated Oil and Gas

Information related to the Group is available on the Company's website ([www.total.com](http://www.total.com)), including, in particular, the Group's 2013 annual report (Registration Document). The French version of the Registration Document was filed with the French Financial Markets Authority (the "AMF") on March 27, 2014 under the registration number D.14-0215. The Registration Document is also available free of charge at the head office of the Company as well as on the Company's website ([www.total.com](http://www.total.com)).

#### AUTHORIZATION OF THE PROGRAM – PURPOSE OF THE OFFER

The fourteenth resolution of the Combined General Meeting held on May 16, 2014 (the "General Meeting") granted the Company's Board of Directors (the "Board") the authority to undertake, in one or more transactions and within a maximum period of 26 months, a capital increase reserved to members of a company or group savings plan of the Company and French or foreign companies affiliated with the same, pursuant to articles L. 3332-2 and L. 3332-18 of the French Labor Code and articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code.

Pursuant to this authorization, the maximum number of shares to be issued cannot exceed 1.5% of the Company's share capital on the day of the Board meeting authorizing the issue. The amount of the share capital issued will be counted against the overall ceiling for capital increases with preferential subscription rights, as authorized by the tenth resolution of the same General Meeting (*i.e.*, a nominal amount of €2.5 billion or 1,000 million shares).

In order to continue to encourage the holding of the Company's shares by Group employees, and pursuant to the above-mentioned authorization granted by the General Meeting, the Board, at its

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<sup>1</sup> Based on the L.225-102 of the French Commercial Code.

meeting on July 29, 2014, decided to carry out a new share capital increase program reserved for employees and former employees of the Group pursuant to the following conditions.

## SECURITIES OFFERED

Pursuant to the decision of the Board at its meeting on July 29, 2014, the offering will have the following characteristics:

- ✓ **Issue type:** Ordinary shares issuance by the Company, without preferential subscription rights, for eligible employees and former employees of the Company and its French and non-French subsidiaries members of the Group's Shareholder Savings Plan ("PEG-A") and that are included in the scope of the offering (see the paragraph "Companies concerned" below).
- ✓ **Maximum number of shares offered – Total amount of the offer:** 18 million shares with a nominal value of €2.50 each, representing a total nominal amount of €45 million, the equivalent of 0.76% of the Company's share capital as of July 1, 2014.
- ✓ **Share subscription price:** The subscription price per share is the average of the closing prices for the Company's shares on Euronext Paris (code ISIN FR0000120271) over the 20 trading sessions preceding the date of the Chairman and CEO's decision setting the opening date for the cancellation/subscription period (the reference price) reduced by a 20% discount rounded off to the highest tenth of a euro.

This subscription price will be definitive and will remain valid irrespective of upward or downward variations in the Company's share price prior to the closing of the cancellation/subscription period.

- ✓ **Description of the new shares:** The new shares will be ordinary shares of the Company, with a nominal value of €2.50 each, and of the same category as existing shares. The new shares bear rights as of January 1, 2014.
- ✓ **Rights attached to the new shares:** The rights of the new shares, including any restrictions that apply to them, and the manner of exercising these rights are the same as the rights attached to the existing shares of the Company, and are described under "General Information" concerning the Company starting on page 222 of the 2013 Registration Document.
- ✓ **Issuance of new shares and listing:** The listing of the new shares on Euronext Paris will be requested from their issuance on the same line as existing shares (ISIN code FR0000120271). ADRs (American Depositary Receipts) corresponding to the new shares may also be listed on the New York Stock Exchange, with one TOTAL ADR representing one share of the Company.
- ✓ **Market price of the Company's shares (Euronext Paris):**
  - €44.53 at the closing on December 31, 2013.
  - Highest price in 2014 (during regular trading session between January 1<sup>st</sup> and September 1<sup>st</sup> 2014): €54.71 on June 24, 2014.
  - Lowest price in 2014 (during regular trading session between January 1<sup>st</sup> and September 1<sup>st</sup> 2014): €41.31 on February 5, 2014.
- ✓ **Entity administering the securities service for the Company:**
  - BNP Paribas Securities Services
  - Grands Moulins de Pantin
  - 9, rue du Débarcadère
  - 93500 Pantin, France

## TERMS OF SUBSCRIPTION

### ✓ **Companies concerned:**

This capital increase is open to eligible employees and retirees of the Company and its French and non-French subsidiaries in which the Company holds, directly or indirectly, more than 50% of the voting rights (“eligible subsidiaries”) and members of the PEG-A (see the paragraph “Beneficiaries of the reserved issue” below), under the condition that local administrative authorizations have been obtained.

### ✓ **Beneficiaries of the reserved issue:**

Eligible employees and retirees (the “beneficiaries”) are:

- Employees of the Company or of an eligible subsidiary who have at least 3 months of continuous or interrupted employment during the period from January 1<sup>st</sup>, 2014 to the last day of the cancellation/subscription closing date, and with an employment contract for at least one day during the cancellation/subscription period;
- Early retirees and retirees who directly retired or pre-retired and who, at the time of their departure, were employees of a company currently included in the above perimeter and who still have assets invested in a the PEG-A, subject to applicable local regulations and, if applicable, the approval of the local companies.

Approximately 110,000 beneficiaries are eligible to take part in this capital increase program.

### ✓ **Offers**

Two available offers:

- The Classic Offer will be offered in all countries participating in the capital increase program reserved for employees.
- The Capital+ Offer will be offered in certain countries in and outside of France, subject to the applicable legislation in each country and given the legal and tax constraints.

Regardless of the offer chosen by the beneficiaries, employees who subscribed to the offering will benefit from a matching contribution in the form of additional shares comprised in the maximum amount of the capital increase decided by the Board at its meeting on July 29, 2014. In certain countries, employees who do not receive the matching contribution could be eligible to a grant of free conditional shares pursuant to the 16<sup>th</sup> resolution of the General Meeting of May 16, 2014. A maximum of 400,000 newly-issued shares could be thus delivered to these beneficiaries after the end of a 5-year vesting period.

### ✓ **Indicative calendar:**

- Reservation period at unknown price: from November 28, 2014 to December 12, 2014 (included).
- Indicative date for the subscription price: March 11, 2015, subject to the Chairman and CEO’s decision.
- Indicative dates for the cancellation/subscription period: subject to the Chairman and CEO’s decision, this cancellation/subscription period, which is a minimum period of 5 stock market days, may be fixed from March 12, 2014 to March 19, 2015 (included).

The above-mentioned dates are indicative and may be modified.

### ✓ **Subscription and holding methods:**

During the reservation period, the beneficiaries will have the opportunity to indicate the amount that they wish to invest in the classic offer and/or the leveraged offer. During this period, the subscription price will not be known yet. The beneficiaries who would like to reserve will have to complete, sign and return to

their company the individual reservation form, or reserve on the website before the last day of the reservation period.

After the setting of the subscription price, the beneficiaries who have reserved will have the opportunity to cancel their reservation during the cancellation/subscription period. The beneficiaries wishing to cancel will have to complete, sign and return the individual cancellation form, or cancel on the website before the last day of the cancellation/subscription period.

If no cancellation is received by the last day of the cancellation/subscription period, the reservation will become a definitive and irrevocable subscription order.

The beneficiaries who have not reserved during the reservation period will have the opportunity to subscribe during the cancellation/subscription period, however the maximum amount that can be invested will be reduced. The beneficiaries will have to complete sign and return the subscription form, or subscribe on the website on or before the last day of the cancellation/subscription period.

The beneficiaries will have the opportunity to subscribe via Employee Shareholding funds (FCPEs) as mentioned above, except in some countries where the shares will be directly subscribed.

For the classic offer:

- "TOTAL ACTIONNARIAT FRANCE RELAIS 2015" (Part "C" of capitalization: Code AMF n° 990000113569 – Part "D" of distribution: code AMF n° 990000113939) for the shares subscribed by the employees of French companies. This "Relais" FCPE has been created specifically for this capital increase program, and will subsequently be absorbed by the "TOTAL ACTIONNARIAT FRANCE" FCPE (Part "C" of capitalization: Code AMF n° 990000061089 – Part "D" of distribution: code AMF n° 990000101569), after contribution of the subscribed shares to the "Relais" FCPE, subject to the decision of the Supervisory Boards of TOTAL ACTIONNARIAT FRANCE RELAIS 2015 and the AMF's approval.
- "TOTAL ACTIONNARIAT INTERNATIONAL RELAIS 2015" (code AMF n° 990000113579) for the employees of companies in other countries around the world except for the United States, Italy and Germany. This "Relais" FCPE has also been created specifically for this capital increase program, and will subsequently be absorbed by the "TOTAL ACTIONNARIAT INTERNATIONAL CAPITALISATION" FCPE (code AMF n°990000080669), after contribution of the subscribed shares to the "Relais" FCPE, subject to the decision of the Supervisory Boards of TOTAL ACTIONNARIAT INTERNATIONAL RELAIS 2015 and the AMF's approval.

Beneficiaries whose employer is (or was) an American, Italian or German subsidiary of the Group will directly subscribe for shares of the Company (for employees or former employees of Italian or German companies in the Group) or for TOTAL ADRs (for beneficiaries participating to the offering in the USA). This method of subscription applies to approximately 10,000 beneficiaries of the program.

For the leveraged scheme:

- "TOTAL FRANCE CAPITAL +" Compartment "TOTAL FRANCE CAPITAL+ 2015" (code AMF 990000113699) for the shares subscribed by the beneficiaries of French companies;
- "TOTAL INTL CAPITAL" for the shares subscribed by the beneficiaries of companies in other countries around the world except for the United States (Compartment "TOTAL INTL A CAPITAL+ 2015" (code AMF 990000113619) or Compartment "TOTAL INTL B CAPITAL + 2015" (code AMF 990000113629), depending on the structure set for each country.

✓ **Maximum subscription:**

Pursuant to article L.3332-10 of the French Labor Code, the amount of the payments (including profit-sharing) made each year by an employee as part of a Savings Plan cannot exceed one quarter of the

employee's gross annual salary, including expatriation bonuses or retirement benefits expected in 2015. The method of calculating this limit is described in the internal brochure prepared for this capital increase program.

Individual subscriptions must comply with this limit taking into account all other payments made by the employees as part of the Savings Plans of their company and/or the Group.

For the leveraged offer, the limit of one quarter of the employee's gross annual salary takes into account the complementary funds given by the banking partner.

✓ **Payment methods:**

Depending on the contractual terms between beneficiaries and their company and the applicable legislation in each country, payment of the entire subscription price of the shares will be made:

- in cash by personal contribution; or
- by means of an advance, repayable by monthly payroll deduction, that may be granted by the employer to subscribing employees, with the exception of the members of the Management Committee or Treasurer ("Executive Officers", *i.e.*, 29 people as of today), subject to the respect of applicable legislation. In France, this deduction must not exceed 10% of the average monthly net salary; or
- through a combination of both of these options.

The advance is repayable starting in May 2015 in 24 equal monthly installments deducted from the employee's salary. In France, interest will not be charged on the advance, and this will be considered as a benefit in kind (see below – "Taxation").

✓ **Holding period for the units or shares:**

Pursuant to article L.3332-25 of the French Labor Code, employees subscribing for the issuance are required to retain units of the "TOTAL ACTIONNARIAT FRANCE" FCPE or "TOTAL ACTIONNARIAT INTERNATIONAL CAPITALISATION" FCPE or "TOTAL FRANCE CAPITAL +" FCPE "TOTAL INTL CAPITAL" FCPE or shares held directly for a legal holding period of five years, with the exception of certain early release cases provided for by articles L. 3324-10 et R. 3324-22 of the French Labor Code for beneficiaries who are French tax residents. For beneficiaries who are not French tax residents, the list of early release cases may be limited to certain cases as provided for by French law and depending on legal provisions applicable in the countries in which they reside.

✓ **Order reduction rule:**

The capital increase will be fulfilled by the total number of shares subscribed to by the four FCPEs ("TOTAL ACTIONNARIAT FRANCE RELAIS 2015", "TOTAL ACTIONNARIAT INTERNATIONAL RELAIS 2015", "TOTAL FRANCE CAPITAL+", "TOTAL INTL CAPITAL") and directly by employees in certain countries. If the total number described above exceeds the 18 million shares limit, including additional shares of the matching contribution, the subscriptions will be cut back in the following manner:

- all subscriptions up to the Subscription Average defined as the quotient between the amount set aside by the Board and the number of subscribers will be honored in full.
- for subscriptions commitments exceeding the Subscription Average:
  - for subscriptions to the classic and leveraged offers, there will be a reduction to each offer pro-rated according to the subscription for each of the offers,
  - for each offer, the first reduction will be made on the portion of the offer paid for with salary advances, then on the portion paid for in cash.

## TAXATION IN FORCE ON THE DATE OF ISSUANCE OF THE PRESENT DOCUMENT

### ✓ **For employees who are French tax residents:**

For employees who are French tax residents, the subscription discount is exempt from income tax. The income and earnings from the shares are also exempt from income tax if they are re-invested in the Company Savings Plan.

The matching contribution is exempt from income tax but is subject to the CSG (generalized social security contribution) and CRDS (contribution to the repayment of the social security debt) at the rates of 7.5% and 0.5%, respectively.

The redemptions of available “TOTAL ACTIONNARIAT FRANCE” FCPE and “TOTAL ACTIONNARIAT INTERNATIONAL CAPITALISATION” FCPE units (after the 5-year holding period) and early redemptions (before the expiration of this same period) are exempt from capital gains taxation on the sale of securities. However, these capital gains will be subject to the CSG (generalized social security contribution), social security withholding, additional contribution to social security withholding, the CRDS (contribution to the repayment of the social security debt) and the solidarity levy. The respective rates of these charges are 8.2%, 4.5%, 0.3%, 0.5% and 2%, *i.e.*, a total of 15.5%.

Interest will not be charged on 24-month advances, and this interest-free advance is considered to be a benefit in kind, calculated on the basis of the legal interest rate applicable on the subscription date (article L.313-2 of the French Monetary and Financial Code) and is subject to social security contributions, social security deductions and income tax.

The tax information indicated above is based on the current French tax legislation applicable at the date of the present press release. The applicable tax regime can evolve between the date of the present document and the beginning of the offer as well as during the period of the offering.

### ✓ **For employees who are not French tax residents:**

Employees who are not French tax residents will be subject to the legal provisions applicable in the countries in which they reside.

## HEDGING OPERATION

The implementation of the leveraged offer could generate from the financial institution, counterpart of the swap operation, some hedging operations, in particular from the beginning of the period of calculation of the reference price and during the entire period of the offering.

## NOTE FOR THOSE OUTSIDE OF FRANCE

The program, reserved to eligible employees and retirees of the Group, will be implemented in France as well as in certain foreign countries, including the United States, where the offered securities will be registered with the Securities and Exchange Commission (SEC).

This press release is produced for information purposes only and does not constitute an offer for the sale or the subscription of securities. Moreover, this press release should not be distributed in the countries where the offering is subject to approval of the local authorities.

The offer will be issued only in the countries where the local administrative and regulatory procedures have been implemented (in particular the registration procedures, notification, granting of authorizations and/or applicable exemptions and the information or the consultation of the representatives of the employees).

## OTHER INFORMATION

The regulations of the Employee Shareholding Funds (as well as the key investors information documents) by which the beneficiaries can participate in the offer were approved by the AMF (see above – “Subscription and holding methods”) on July 15, 2014.

This press release represents the document required to qualify for the exemption from the requirement to publish a prospectus as defined in the Prospectus Directive 2003/71/CE transposed in internal law of the member states of the European Union and, with respect to French law, to articles 212-4 (5°) and 212-5 (6°) of the AMF General Regulations and article 14 of the AMF instruction n°2005-11 of December 13, 2005.

#### **EMPLOYEE CONTACT**

For questions relating to the capital increase program, beneficiaries may consult the information available on the dedicated intranet site [www.totalcapital2015.com](http://www.totalcapital2015.com) from November 10, 2014 or contact their Human Resources Department.

#### **THE TOTAL GROUP**

TOTAL is one of the largest international oil and gas companies with activities in more than 130 countries. The Group is also a key actor of the petrochemicals industry. Its almost 100,000 employees develop their know-how in all the sectors of these industries: exploration and oil and gas production, refining and distribution, new energies, trading and petrochemicals. They contribute to satisfy the world energy demand, current and future. [www.total.com](http://www.total.com)

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