Integrated Gas

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The SEC permits oil and gas companies, in their filings – Arche Nord 92078 Paris Place Jean 18x62

they may have occurred within prior years or are likely to occur again within the coming years.

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

Neither TOTAL nor any of its subsidiaries assumes any obligation to update publicly any forward-looking information or statement, objectives or trends contained in this document whether as a result of new information, future events or otherwise. Further information on factors, risks and uncertainties that could affect the Company’s financial results or the Group’s activities is provided in the most recent Registration Document filed by the Company with the French Autorité des Marchés Financiers and annual report on Form 20-F filed with the United States Securities and Exchange Commission ("SEC").

Financial information by business segment is reported in accordance with the internal reporting system and shows internal segment information that is used to manage and measure the performance of TOTAL. Performance indicators excluding the adjustment items, such as adjusted operating income, adjusted net operating income, and adjusted net income are meant to facilitate the analysis of the financial performance and the comparison of income between periods. These adjustment items include:

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

(ii) Inventory valuation effect
The adjusted results of the Refining & Chemicals and Marketing & Services segments are presented according to the replacement cost method. This method is used to assess the segments’ performance and facilitate the comparability of the segments’ performance with those of its competitors.

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

(iii) Effect of changes in fair value
The effect of changes in fair value presented as an adjustment item reflects for some transactions differences between internal measures of performance used by TOTAL’s management and the accounting for these transactions under IFRS.

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

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

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

Cautionary Note to U.S. Investors – The SEC permits oil and gas companies, in their filings with the SEC, to separately disclose proved, probable and possible reserves that a company has determined in accordance with SEC rules. We may use certain terms in this presentation, such as resources, that the SEC’s guidelines strictly prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the disclosure in our Form 20-F, File No. 1-10888, available from us at 2, Place Jean Millier – Arche Nord Coupole/Regnault - 92078 Paris-La Défense Cedex, France, or at our website: total.com. You can also obtain this form from the SEC by calling 1-800-SEC-0330 or on the SEC’s website: sec.gov.
Gas: Competitive, clean and flexible
LNG global demand growing strongly, led by Asia

Levelized cost of electricity in Asia
$/MWh

-20%

100

Coal
Gas CCGT

CO2
Opex
Fuel
Capex

CCGT cost competitive, flexible and clean

2005-25 LNG demand
Mt/y

+6% per year

+5% per year

400

Japan
Korea
Taiwan
Rest of Asia
Europe
Other Middle East

2005
2015
2025

LNG continuously growing, new markets opening
Opportunity to develop low cost LNG projects post-2020
Further reducing the breakeven of competitive projects

LNG supply & demand
Mt/y

<table>
<thead>
<tr>
<th>Year</th>
<th>Demand</th>
<th>Under construction</th>
<th>Existing supply</th>
<th>to be sanctioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
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<tr>
<td>2025</td>
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<td></td>
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<td></td>
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<tr>
<td>2030</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Potential LNG project merit order
Mt/y capacity, breakeven DES Asia

<table>
<thead>
<tr>
<th>LNG projects</th>
<th>Capacity</th>
<th>Breakeven</th>
</tr>
</thead>
<tbody>
<tr>
<td>Papua LNG</td>
<td>T7</td>
<td>6-8 $/Mbtu</td>
</tr>
<tr>
<td>Qatar</td>
<td></td>
<td>&lt;6 $/Mbtu</td>
</tr>
<tr>
<td>NLNG T7</td>
<td></td>
<td>10-12 $/Mbtu</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8-10 $/Mbtu</td>
</tr>
</tbody>
</table>

Source: IHS
Source: Wood McKenzie and Total estimates
Global player with access to all LNG markets
Growing flexibility from scale and integration
Growing integrated LNG business
Developing downstream gas help launching profitable Upstream projects

Integrated LNG portfolio
Mt/y

- +80%
- x2.5
- x2
- 60%

Reducing Upstream breakevens

Expanding global trading and shipping

Growing Downstream integration
- FSRU and power generation
- B2B & B2C marketing and new usages

Liquefaction Trading Regas B2B & B2C

2017 2022
Optimizing the full value chain
Driving down costs in all segments

<table>
<thead>
<tr>
<th>Production</th>
<th>Liquefaction</th>
<th>Trading</th>
<th>Shipping</th>
<th>Regasification</th>
<th>Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.5-2 $/Mbtu</td>
<td>1-2 $/Mbtu</td>
<td>0.2-0.4 $/Mbtu</td>
<td>0.5-3 $/Mbtu DES Asia</td>
<td>~0.5 $/Mbtu</td>
<td>B2B: 0.2-0.4 $/Mbtu, B2C: 1.5-2.5 $/Mbtu</td>
</tr>
<tr>
<td>Focusing on low cost gas (onshore)</td>
<td>Simplifying designs (modular, small scale, brownfields)</td>
<td>Increasing flexibility of portfolio</td>
<td>Reducing Boil-off</td>
<td>Operating floating regas (FSRU)</td>
<td>Leveraging digital platforms</td>
</tr>
</tbody>
</table>

*DES* Asia

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2017 Field Trip
Starting from low cost gas
Optimizing the development of competitive resources

Production cost
$/Mbtu Capex+Opex, including transport

Deep Offshore dry gas
US Shale
Papua
Nigeria
Qatar

1.5

x 2.5 cheaper

Source: Wood McKenzie and Total estimates
Reducing liquefaction costs to ~500 $/t
Prioritizing low cost modular solutions and brownfield expansions

Source: Wood McKenzie and Total estimates
Floating regasification units reducing cost to ~50 $/t
World capacity expected to double to ~120 Mt per year by 2020

Onshore FSRU Regasification unit cost $/t, Capex

Opening new LNG markets, quick & easy to install
4 Mt/y announced, evaluating ~6 Mt/y
Growing balanced trading portfolio
Leveraging size and flexibility to maximize margin

Well balanced LNG trading portfolio
Mt/y

Flexible supply & demand in line with market needs
Targeting 5% market share of LNG trading

2022 long term contracts price reviews

Solid long term contracts

2016 supply
2016 demand
2022 supply
2022 demand

Flexible destination
Fixed destination
spot
B2B/B2C integrated regas
Floating regas long term sales
Long term sales

No price review
Price review before 2022
Price review after 2022

Flexible supply & demand in line with market needs
Targeting 5% market share of LNG trading
Growing B2B and B2C
Marketing activities adding margin and resilience to the portfolio

Cost to serve European B2C customers
€/year/client, for Total and European competitor range*

- 50%

Highest cost average cost Total Lampiris Lowest cost

30

High performance, low-cost digital platform

* Total estimates

Your green electricity
Your gas
Combined offer

Save money now!

ESTIMATE MY SAVINGS
SUBSCRIBE IN 2 CLICKS
Developing new markets for gas
Downstream portfolio generating new demand

Marine transport
LNG stimulated by IMO 2020 regulation change

Building supply network on main bunkering hubs

Road transport – Natural gas for vehicles
Becoming the European leader by 2022

Deploying Pitpoint technology in >300 stations
Integrated gas delivering >2 B$ free cash flow by 2022
Sustainable benefits from long plateau production

- +5% per year production
- 2x Gas & LNG trading portfolio
- +10% per year B2B/B2C sales

Integrated gas free cash flow at 50 $/b B$

Capturing full value chain margin