



QUESTIONS AND ANSWERS

SECOND INTERIM DIVIDEND PAYMENT FOR 2017 – OPTION FOR PAYMENT IN TOTAL SHARES

1. WHAT IS PAYMENT OF THE DIVIDEND IN SHARES?

The dividend can be paid in two forms: most frequently, it is paid in cash, but it can also be paid in shares. If a shareholder opts for the latter, they will receive, a whole number of shares and will receive or pay (according to their election – refer to question 7) a cash adjustment (the “balance”).

The choice between payment in cash or in shares is the responsibility of each shareholder.

In the absence of share payment option, the shareholder will automatically receive their dividend in cash.

2. IS PAYMENT OF THE DIVIDEND IN SHARES ONLY AN OPTION FOR THE SECOND INTERIM DIVIDEND FOR 2017?

The Shareholders’ General Meeting of 26 May 2017 approved the principle of payment in shares for the 2016 final dividend and for all interim dividends that may be decided for 2017. However, this document addresses only the second interim dividend for 2017.

3. WHAT ARE THE AMOUNTS, EX-DATES AND PAYMENT DATES FOR THE SECOND INTERIM DIVIDEND FOR 2017?

The amount of the second interim dividend has been set at €0.62/share.



The ex-date will be 19 December 2017 and the dividend will be paid on 11 January 2018.

4. WHAT IS THE ISSUE PRICE FOR THESE SHARES AND HOW HAS IT BEEN DETERMINED?

Given current oil prices above 60 \$/b and the performance of the Group in terms of cash-flow generation in such environment, the Board of Directors has decided to remove the discount offered on the share price for the new shares to be issued as payment of the 2017 second interim dividend. As a result, the share price for the new shares to be issued is set at €46.55, equal to the average opening price on Euronext Paris for the twenty trading days preceding the Board of Directors on December 12, 2017, reduced by the amount of the interim dividend, rounded up to the nearest cent. Shares issued as payment of the 2017 second interim dividend will carry immediate dividend rights. An application will be made to admit the new shares for trading on the Euronext Paris market.

5. ARE THERE ANY CONDITIONS THAT MUST BE MET TO OPT FOR PAYMENT OF THE DIVIDEND IN SHARES?

The option to receive payment of the second interim dividend in shares is open to any shareholder holding at least 1 share at the close of trading on 18 December 2018.

The option to receive the second interim dividend for the 2017 financial year in shares is not open to shareholders residing in any country where such an option would require registration with or authorisation from the local stock exchange authorities. Shareholders residing outside France must find out about any local restrictions and comply with them.

Shareholders are required to find out for themselves about the conditions and consequences of such an option that would be likely to apply under local law, and in particular, they are advised to consult their tax advisers. In deciding whether to opt to receive the second interim dividend in shares, shareholders should consider the risks associated with investing in shares of the Company.



6. HOW CAN SHAREHOLDERS EXPRESS THEIR CHOICE?

Shareholders must inform their financial intermediary by filling in the option form provided by them and returning it to them.

Financial intermediaries send this form automatically. If they do not receive the form, shareholders should consult their financial intermediary.

7. HOW IS THE SHAREHOLDER INFORMED OF THE NUMBER OF SHARES FOR WHICH THEY MAY SUBSCRIBE, AND HOW IS THIS NUMBER CALCULATED?

(Warning : the calculations are based on the draft finance law for 2018 – cf warning page 8)

The form that the shareholder obtains from the financial intermediary specifies the number of shares for which they may subscribe.

For administered registered shareholders and bearer shareholders, this number is calculated on the basis of the second interim payment of the gross dividend (i.e. €0.62/share).

For direct registered shareholders, it is calculated on the basis of the second interim payment of the net dividend, i.e. less social security contributions and compulsory levies (see question 17), or on the basis of the second interim payment of the gross dividend according to the shareholder's election.

When the dividend payment does not correspond to a whole number of shares, the shareholder can either choose to round down the number of shares to the nearest whole number and receive the cash balance or to round up the number of shares to the nearest whole number and pay the cash balance when sending its instruction.

Example for a shareholder holding 500 shares, who is therefore entitled to a second interim payment of the gross dividend for 2017 of $500 \times 0.62 = €310$:

If the shareholder is an administered registered shareholder or a bearer shareholder, they will receive a number of shares, rounded down to the nearest whole number, corresponding



to €310/€46.55, i.e. 6 shares; or elect for 7 shares by rounding up to the nearest whole number and paying the balance.

In addition, their bank will debit the relevant amount for social security contributions and tax charges from their cash account (see question 17).

If the shareholder is a direct registered shareholder and has opted for payment of the second interim dividend on a gross basis, they will receive the same number of shares as above and must pay BNP Paribas Securities Services the relevant amount for social security contributions and tax charges (see question 17).

If the shareholder is a direct registered shareholder and has opted for payment of the second interim dividend on a net basis, they will receive, if they are tax resident in France, a number of shares rounded down to the nearest whole number, corresponding to $€310 \times (1 - (12.8\% + 17.2\%)) / €46.55$, i.e. 4 shares (see question 17); or elect for 5 shares by rounding up to the nearest whole number and paying the balance.

8. CAN THE SHAREHOLDER OPT FOR A DIFFERENT NUMBER OF SHARES FROM THE NUMBER OFFERED?

The shareholder can only choose one of the numbers of shares offered by their financial intermediary.

The option form will show the numbers corresponding to each of the options described in question 7 above.

The option offered is specifically for payment in full of the second interim payment to which the shareholder is entitled.

In the absence of an option of payment in shares, the shareholder will automatically receive the second interim dividend payment due to them in cash.



9. IN WHAT FORM WILL THE SHARES SUBSCRIBED BE DELIVERED?

If they choose payment in shares, a shareholder with registered shares will receive their shares via their registered current account.

A shareholder holding administered registered shares will receive their shares in bearer form through their bank, which will register them as administered registered shares only when instructed to do so by the holder.

10. WHEN CAN THE SHAREHOLDER SUBMIT THEIR DECISION?

The shareholder can give their decision once they have received the document sent to them by their financial intermediary from 19 December 2017 onwards.

Only shareholders who opt to receive payment of the second interim dividend in shares must indicate their choice. To do so, they simply need to complete and sign the option form and return it to their financial intermediary.

Some financial intermediaries also offer the option of replying via their website.

11. IS THERE A DEADLINE FOR MAKING A DECISION?

The financial intermediary must receive the option form no later than 3 January 2018, via internet or by post (if sending a reply by post, shareholders must take delivery times into account).

Option forms, whether sent by internet or by post, will not be processed if they are received after 3 January 2018, whatever the reason. In this case, the shareholder will automatically receive his/her second interim dividend in cash.



12. ON WHAT DATE DO YOU HAVE TO BE A TOTAL SHAREHOLDER TO BE ENTITLED TO THE SECOND INTERIM DIVIDEND FOR 2017?

In order to receive the dividend attached to a share, you must hold that share on the ex-date. For a dividend payment in shares, the ex-date is the second day of the shareholder option period.

The ex-date for the second interim dividend for 2017 is 19 December 2017. To be entitled to this second interim dividend, the shareholder must hold Total shares no later than 18 December 2017 (the “record date”).

13. WHEN DOES THE SHAREHOLDER HAVE FULL OWNERSHIP OF THE NEW SHARES RECEIVED IN PAYMENT OF THE SECOND INTERIM DIVIDEND?

The new shares will be delivered to the financial institution on 11 January 2018 and the institution will then credit them to the shareholder’s account. The shares will be available immediately.

These new shares will have the same characteristics and entitle the holder to the same rights as those attached to existing shares. They will immediately carry the entitlement to a dividend.

14. CAN A BANK CHARGE FEES TO SHAREHOLDERS OPTING TO RECEIVE PAYMENT OF THE DIVIDEND IN SHARES?

Payment of dividend, whether in cash or in shares, to a shareholder residing in France does not generally result in charges from the financial intermediary. In particular, there are no charges associated with reinvesting the second interim dividend in shares.

However, it may be that the contractual financial terms of the shareholder’s financial intermediary provide for charges related to cash payments to their clients (for example, payment of the second interim dividend in cash, or payment of the balance if the



shareholder has opted for payment in shares). It is the responsibility of the individual shareholder to find out about the terms offered by their financial intermediary.

15. IS THE SHAREHOLDER'S DECISION VALID FOR FUTURE TRANSACTIONS?

This decision is only valid for the second interim dividend payment in January 2018 and not for subsequent interim dividends.

For example, TOTAL shareholders will again be asked to make a decision for any 2017 interim dividends.

16. ARE DIVIDENDS PAID IN SHARES SUBJECT TO SPECIFIC TAXATION?

For shareholders who are individuals residing in France, the taxation applicable to dividends paid in shares are the same as for dividends paid in cash.

17. HOW ARE SOCIAL SECURITY CONTRIBUTIONS AND THE COMPULSORY LEVIES DEDUCTED FOR SHAREHOLDERS WHO ARE PRIVATE INDIVIDUALS RESIDING IN FRANCE FOR TAX PURPOSES?

(Warning : the calculations are based on the draft finance law for 2018 – cf warning page 8)

The arrangements for deductions (for social security contributions or the compulsory levy) are also identical, whether the second interim dividend is paid in shares or in cash, i.e.:

- for shares held as registered shares, social security contributions and the compulsory levy are deducted directly by BNP Paribas Securities Services from the amount of the second interim dividend, except in the case of the gross dividend option (see question 7); and



- for shares held as bearer shares, the shareholder should contact their account-holding financial intermediary directly, as only they are able to provide the shareholder with information on the deductions that affect them.

For shareholders who are private individuals resident in France for tax purposes, the overall rate of such deductions from the second interim dividend is 30% (17.2% for social security contributions and 12.8% for the compulsory levy, which is a payment of income tax on account).

If the shareholder has applied to their paying agent for exemption from the deduction of the 17.2% payment on account, the applicable rate is 12.8% (for social security contributions).

If the shareholder receives the second interim dividend in respect of shares held in a French share savings plan (*Plan d'Epargne en Actions*, PEA), the compulsory levy of 12.8% does not apply.

18. EXAMPLE

Example for an individual shareholder resident in France holding 500 bearer shares:

The shareholder is entitled to a second interim payment of the gross dividend for 2017 of $500 \times 0.62 = \text{€}310$.

They receive 6 shares (see question 7) and a cash balance of: $310 - (6 \times \text{€}46.55) = \text{€}30.70$.

If the shareholder has not applied for exemption from the compulsory levy, their financial intermediary deducts $(310 \times 12.8\%) + (310 \times 17.2\%) = \text{€}93$ from their account.

WARNING

You are reminded that the payment of the second interim dividend for 2017 will take place during the 2018 tax year. The draft finance law for 2018 (DFL 2018) is currently being read by Parliament. This draft law should be adopted and published in the Official Journal at the end



of 2017. The DFL 2018 contains proposals for measures reforming the taxation of dividends received by natural persons tax domiciled in France and outside France.

Article 11 of the DFL 2018 plans to subject dividends received by natural persons domiciled for tax purposes in France to a single outright deduction of 30% (which breaks down into an outright income tax rate of 12.8% plus social-security deductions, for which the rate should be brought to 17.2% by the draft law on financing the social-security system for 2018).

Article 11 of the DFL 2018 also plans an alignment of the rates for withholding at source applicable to non-resident natural persons on the single outright taxation rate of 12.8%. Thus, the withholding at source on dividends of French origin paid to non-resident natural persons would be fixed at a single rate of 12.8% from 1 January 2018.

The taxation applicable to the payment of the second interim dividend for the 2017 financial year will be that in force on the day of payment in cash or in new shares, namely from 11 January 2018.