

TOTAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FIRST THREE MONTHS 2020

(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, 2020, 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, 2020, are consistent with those used for the financial statements at December 31, 2019, with the exception of standards or amendments that must be applied for periods beginning January 1, 2020.

On January 1, 2020, the Group applied the amendments to IFRS9 and IFRS7 relating to the IBOR reform. The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the IBOR reform, and therefore maintain the hedge accounting qualification of interest rate derivatives. The Group is currently assessing the future impacts of these index changes.

The preparation of financial statements in accordance with IFRS for the closing as of March 31, 2020 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.

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, asset impairments, employee benefits, asset retirement obligations and income taxes. These estimates and assumptions are described in the Notes to the Consolidated Financial Statements as of December 31, 2019.

The interim consolidated financial statements are impacted by the Covid-19 and oil crises described in note 7 *Other risks and contingent liabilities*. The Group has taken this environment into account in its estimates, notably those relating to inventory valuation, asset impairments, employee benefits and income taxes.

In particular, the value of petroleum and petrochemical inventories, that are measured according to the FIFO (First-in, First-Out) method, deteriorated as a result of the significant decrease in prices during the quarter, especially in the Refining and Chemicals business segment.

Regarding impairment tests, the Group has considered that long-term assumptions used in December 31, 2019 annual impairment tests did not need to be reviewed, but has taken into account the decrease in prices for 2020. Application of these assumptions did not result in any asset impairment at March 31, 2020.

The sensitivity of impairment tests realized at December 31, 2019 to variation of oil and gas prices is described in note 3.D. to the notes to the Consolidated Financial Statements as at December 31, 2019.

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.

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

➤ **Integrated Gas, Renewables & Power**

- On February 28, 2020, TOTAL finalized the acquisition of 37.4% interest in Adani Gas Limited, one of the 4 main distributors of city gas in India. To acquire 37.4% of equity shares of Adani Gas Limited, TOTAL launched a tender offer to public shareholders on October 14, 2019 that ended on January 14, 2020, then acquired the remaining shares from Adani on February 27 and 28, 2020.

➤ **Exploration & Production**

- On March 31, 2020, TOTAL finalized the sale of its subsidiary Total E&P Deep Offshore Borneo BV which holds an 86.95% interest in Block CA1, located 100 kilometers off the coast of Brunei, to Shell.

2.2) Divestment projects

➤ **Exploration & Production**

- On July 10, 2019, Total announced the signature of an agreement to divest several UK non-core assets to Petrogas NEO UK Ltd. The overall consideration for this deal that is subject to approval from the relevant authorities amounts to \$635 million. At March 31, 2020, the assets and liabilities have been respectively classified in the consolidated balance sheet in "assets classified as held for sale" for an amount of \$421 million and in "liabilities directly associated with the assets classified as held for sale" for an amount of \$330 million. The assets concerned mainly include mineral interests and tangible assets.

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;
- An Integrated Gas, Renewables & Power segment comprising integrated gas (including LNG) and low carbon electricity businesses. It includes the upstream and midstream LNG activity;
- 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 methods.

(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 the 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

		Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Total
(M\$)							
1st quarter 2020	Inventory valuation effect	-	-	(1,578)	(218)	-	(1,796)
	Effect of changes in fair value	-	2	-	-	-	2
	Restructuring charges	(10)	(8)	-	-	-	(18)
	Asset impairment charges	-	-	-	-	-	-
	Other items	-	(111)	(11)	(128)	(55)	(305)
Total		(10)	(117)	(1,589)	(346)	(55)	(2,117)
1st quarter 2019	Inventory valuation effect	-	-	492	74	-	566
	Effect of changes in fair value	-	(27)	-	-	-	(27)
	Restructuring charges	-	-	-	-	-	-
	Asset impairment charges	-	-	-	-	-	-
	Other items	-	(58)	-	-	-	(58)
Total		-	(85)	492	74	-	481

ADJUSTMENTS TO NET INCOME, GROUP SHARE

		Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Total
(M\$)							
1st quarter 2020	Inventory valuation effect	-	-	(1,281)	(133)	-	(1,414)
	Effect of changes in fair value	-	1	-	-	-	1
	Restructuring charges	(3)	(12)	(65)	-	-	(80)
	Asset impairment charges	-	-	-	-	-	-
	Gains (losses) on disposals of assets	-	-	-	-	-	-
	Other items	128	(125)	(22)	(81)	(154)	(254)
Total		125	(136)	(1,368)	(214)	(154)	(1,747)
1st quarter 2019	Inventory valuation effect	-	-	344	44	-	388
	Effect of changes in fair value	-	(22)	-	-	-	(22)
	Restructuring charges	-	(2)	-	-	-	(2)
	Asset impairment charges	-	-	-	-	-	-
	Gains (losses) on disposals of assets	-	-	-	-	-	-
	Other items	-	(12)	-	-	-	(12)
Total		-	(36)	344	44	-	352

4) Shareholders' equity

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

In accordance with the shareholder return policy over 2018-2020 implemented since February 2018, TOTAL S.A. continued to repurchase its own shares until the suspension of this policy, which was announced on March 23, 2020 in the context the fall in the crude oil price to around \$30 per barrel.

TOTAL S.A. has also repurchased shares to be allocated to free share grant plans.

As a result, as of March 31, 2020, TOTAL S.A. directly holds 28,707,248 TOTAL shares, representing 1.10% of its share capital, which are deducted from the consolidated shareholders' equity and allocated as follows:

Shares to be cancelled (1)	23,284,409
Repurchased during Q4 2019	11,051,144
Repurchased during Q1 2020	12,233,265
Shares to be allocated as part of free share grant plans (2)	5,422,839
2017 Plan	4,356,244
2018 Plan	1,001,829
Other Plans	64,766
Treasury shares Total (1)+(2)	28,707,248

Dividend

TOTAL S.A. already paid three interim dividends for the fiscal year 2019.

The Board of Directors decided on February 5, 2020 to propose to the Shareholders' meeting of May 29, 2020 to distribute a balance of €0.68 per share for the 2019 fiscal year dividend. The Board of Directors decided on May 4, 2020 to propose, subject to the approval of the Shareholders' meeting of May 29, 2020, the option to pay this final dividend either in cash or in new shares of the company with a discount.

Dividend 2019	First interim	Second interim	Third interim	Final
Amount	€0.66	€0.66	€0.68	€0.68
Set date	April 25, 2019	July 24, 2019	October 29, 2019	May 29, 2020
Ex-dividend date	September 27, 2019	January 6, 2020	March 30, 2020	June 29, 2020
Payment date	October 1 st , 2019	January 8, 2020	April 1 st , 2020	July 16, 2020

The Board of Directors, during its May 4, 2020 meeting, set the first interim dividend for the fiscal year 2020 at €0.66 per share. This interim dividend will be paid in cash on October 2, 2020 (the ex-dividend date will be September 25, 2020).

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 €(0.01) per share for the 1st quarter 2020 (€0.88 per share for the 4th quarter 2019 and €1.03 per share for the 1st quarter 2019). Diluted earnings per share calculated using the same method amounted to €(0.01) per share for the 1st quarter 2020 (€0.87 per share for the 4th quarter 2019 and €1.02 per share for the 1st quarter 2019).

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

Other comprehensive income

Detail of other comprehensive income is presented in the table below:

(M\$)	1st quarter 2020	1st quarter 2019
Actuarial gains and losses	133	164
Change in fair value of investments in equity instruments	(164)	33
Tax effect	(15)	(45)
Currency translation adjustment generated by the parent company	(1,976)	(1,531)
Sub-total items not potentially reclassifiable to profit and loss	(2,022)	(1,379)
Currency translation adjustment	(21)	806
- unrealized gain/(loss) of the period	(22)	852
- less gain/(loss) included in net income	(1)	46
Cash flow hedge	(1,524)	(127)
- unrealized gain/(loss) of the period	(1,543)	(52)
- less gain/(loss) included in net income	(19)	75
Variation of foreign currency basis spread	56	11
- unrealized gain/(loss) of the period	42	(3)
- less gain/(loss) included in net income	(14)	(14)
Share of other comprehensive income of equity affiliates, net amount	(1,223)	388
- unrealized gain/(loss) of the period	(1,233)	400
- less gain/(loss) included in net income	(10)	12
Other	3	1
Tax effect	445	38
Sub-total items potentially reclassifiable to profit and loss	(2,264)	1,117
Total other comprehensive income, net amount	(4,286)	(262)

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

(M\$)	1 st quarter 2020			1 st quarter 2019		
	Pre-tax amount	Tax effect	Net amount	Pre-tax amount	Tax effect	Net amount
Actuarial gains and losses	133	(50)	83	164	(45)	119
Change in fair value of investments in equity instruments	(164)	35	(129)	33	-	33
Currency translation adjustment generated by the parent company	(1,976)	-	(1,976)	(1,531)	-	(1,531)
Sub-total items not potentially reclassifiable to profit and loss	(2,007)	(15)	(2,022)	(1,334)	(45)	(1,379)
Currency translation adjustment	(21)	-	(21)	806	-	806
Cash flow hedge	(1,524)	463	(1,061)	(127)	42	(85)
Variation of foreign currency basis spread	56	(18)	38	11	(4)	7
Share of other comprehensive income of equity affiliates, net amount	(1,223)	-	(1,223)	388	-	388
Other	3	-	3	1	-	1
Sub-total items potentially reclassifiable to profit and loss	(2,709)	445	(2,264)	1,079	38	1,117
Total other comprehensive income	(4,716)	430	(4,286)	(255)	(7)	(262)

5) Financial debt

The Group has not issued any bond during the first three months of 2020.

The Group reimbursed bonds during the first three months of 2020:

- Bond 4.750% issued in 2014 and maturing in January 2020 (NZD 100 million);
- Bond 2.125% issued in 2014 and maturing in January 2020 (CAD 100 million);
- Bond Euribor 3 months + 30 basis points issued in 2014 and maturing in March 2020 (EUR 1 000 million).

In April 2020, the Group has issued a EUR 3,000 million bond in two tranches :

- Bond 1.491% maturing in April 2027 (EUR 1,500 million) ;
- Bond 1,994% maturing in April 2032 (EUR 1,500 million).

In April 2020, the Group has also put in place a new committed syndicated credit line with banking counterparties for an amount of USD 6,350 million and with a 12-month tenor (with the option to extend twice by a further 6 months at TOTAL's hand).

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 quarter of 2020.

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, other than those mentioned below.

Health and oil crises

The environment remains volatile, given the uncertainty about hydrocarbon demand related to the outlook for global economic growth and a context of geopolitical instability.

The Covid-19 epidemic that began in December 2019, in China, has been impacting demand since the beginning of the first quarter 2020. In this context of oversupply, the decision on March 6, 2020 by OPEC and Russia to stop their cooperation on the markets caused crude oil prices to fall sharply, by around 30%.

Despite the OPEC+ decision for exceptional production cuts reached during April 9-12, 2020 meetings, demand remains well below supply, leading to overproduction and strong inventory builds. The anticipated gradual increase in demand linked to the end of the Covid-19 crisis may not bring a rapid resolution of the oil crisis given the time required to return inventories to normal levels.

TOTAL faces this period of economic and oil crisis with a low organic breakeven and a solid balance sheet. The Group reacted to this new environment with an action plan, which has the objectives of preserving the value of its assets, maximizing the efficiency of its expenditures and positioning the Group in the best conditions to emerge strengthened from this period. All employees are mobilized in all the segments of the Group.

Yemen

In Yemen, the deterioration of security conditions in the vicinity of the Balhaf site caused the company Yemen LNG, in which the Group holds a stake of 39.62%, to stop its commercial production and export of LNG and to declare force majeure to its various stakeholders in 2015. The plant has been put in preservation mode.

8) Information by business segment

1 st quarter 2020	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	1,582	5,090	18,523	18,675	-	-	43,870
Intersegment sales	5,564	594	6,095	89	28	(12,370)	-
Excise taxes	-	-	(650)	(4,643)	-	-	(5,293)
Revenues from sales	7,146	5,684	23,968	14,121	28	(12,370)	38,577
Operating expenses	(3,643)	(4,992)	(24,841)	(13,799)	(247)	12,370	(35,152)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,644)	(334)	(395)	(244)	(18)	-	(3,635)
Operating income	859	358	(1,268)	78	(237)	-	(210)
Net income (loss) from equity affiliates and other items	423	399	(57)	10	124	-	899
Tax on net operating income	(454)	8	335	(32)	28	-	(115)
Net operating income	828	765	(990)	56	(85)	-	574
Net cost of net debt							(572)
Non-controlling interests							32
Net income - group share							34

1 st quarter 2020 (adjustments) ^(a)	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	-	2	-	-	-	-	2
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
Revenues from sales	-	2	-	-	-	-	2
Operating expenses	(10)	(119)	(1,589)	(346)	(55)	-	(2,119)
Depreciation, depletion and impairment of tangible assets and mineral interests	-	-	-	-	-	-	-
Operating income ^(b)	(10)	(117)	(1,589)	(346)	(55)	-	(2,117)
Net income (loss) from equity affiliates and other items	128	(75)	(208)	-	-	-	(155)
Tax on net operating income	7	44	425	100	-	-	576
Net operating income ^(b)	125	(148)	(1,372)	(246)	(55)	-	(1,696)
Net cost of net debt							(101)
Non-controlling interests							50
Net income - group share							(1,747)

^(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

- On net operating income

1 st quarter 2020 (adjusted)	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	1,582	5,088	18,523	18,675	-	-	43,868
Intersegment sales	5,564	594	6,095	89	28	(12,370)	-
Excise taxes	-	-	(650)	(4,643)	-	-	(5,293)
Revenues from sales	7,146	5,682	23,968	14,121	28	(12,370)	38,575
Operating expenses	(3,633)	(4,873)	(23,252)	(13,453)	(192)	12,370	(33,033)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,644)	(334)	(395)	(244)	(18)	-	(3,635)
Adjusted operating income	869	475	321	424	(182)	-	1,907
Net income (loss) from equity affiliates and other items	295	474	151	10	124	-	1,054
Tax on net operating income	(461)	(36)	(90)	(132)	28	-	(691)
Adjusted net operating income	703	913	382	302	(30)	-	2,270
Net cost of net debt							(471)
Non-controlling interests							(18)
Adjusted net income - group share							1,781

1 st quarter 2020	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Total expenditures	1,659	2,291	226	160	45	-	4,381
Total divestments	121	344	79	46	17	-	607
Cash flow from operating activities	3,923	(489)	(1,183)	(399)	(553)	-	1,299

1 st quarter 2019	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	1,794	6,419	21,711	21,279	2	-	51,205
Intersegment sales	7,716	627	8,017	162	27	(16,549)	-
Excise taxes	-	-	(776)	(5,305)	-	-	(6,081)
Revenues from sales	9,510	7,046	28,952	16,136	29	(16,549)	45,124
Operating expenses	(4,029)	(6,409)	(27,334)	(15,334)	(177)	16,549	(36,734)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,529)	(315)	(374)	(233)	(15)	-	(3,466)
Operating income	2,952	322	1,244	569	(163)	-	4,924
Net income (loss) from equity affiliates and other items	194	380	149	(10)	1	-	714
Tax on net operating income	(1,424)	(173)	(292)	(164)	60	-	(1,993)
Net operating income	1,722	529	1,101	395	(102)	-	3,645
Net cost of net debt							(505)
Non-controlling interests							(29)
Net income - group share							3,111

1 st quarter 2019 (adjustments) ^(a)	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	-	(27)	-	-	-	-	(27)
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
Revenues from sales	-	(27)	-	-	-	-	(27)
Operating expenses	-	(58)	492	74	-	-	508
Depreciation, depletion and impairment of tangible assets and mineral interests	-	-	-	-	-	-	-
Operating income ^(b)	-	(85)	492	74	-	-	481
Net income (loss) from equity affiliates and other items	-	6	2	-	-	-	8
Tax on net operating income	-	16	(149)	(22)	-	-	(155)
Net operating income ^(b)	-	(63)	345	52	-	-	334
Net cost of net debt							(4)
Non-controlling interests							22
Net income - group share							352

^(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	-	-	492	74	-	-	-
- On net operating income	-	-	345	52	-	-	-

1 st quarter 2019 (adjusted)	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	1,794	6,446	21,711	21,279	2	-	51,232
Intersegment sales	7,716	627	8,017	162	27	(16,549)	-
Excise taxes	-	-	(776)	(5,305)	-	-	(6,081)
Revenues from sales	9,510	7,073	28,952	16,136	29	(16,549)	45,151
Operating expenses	(4,029)	(6,351)	(27,826)	(15,408)	(177)	16,549	(37,242)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,529)	(315)	(374)	(233)	(15)	-	(3,466)
Adjusted operating income	2,952	407	752	495	(163)	-	4,443
Net income (loss) from equity affiliates and other items	194	374	147	(10)	1	-	706
Tax on net operating income	(1,424)	(189)	(143)	(142)	60	-	(1,838)
Adjusted net operating income	1,722	592	756	343	(102)	-	3,311
Net cost of net debt							(501)
Non-controlling interests							(51)
Adjusted net income - group share							2,759

1 st quarter 2019	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Total expenditures	2,025	1,118	285	144	15	-	3,587
Total divestments	29	225	169	72	2	-	497
Cash flow from operating activities	3,936	892	(538)	232	(893)	-	3,629

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

1 st quarter 2020 (M\$)	Adjusted	Adjustments ^(a)	Consolidated statement of income
Sales	43,868	2	43,870
Excise taxes	(5,293)	-	(5,293)
Revenues from sales	38,575	2	38,577
Purchases net of inventory variation	(26,107)	(1,961)	(28,068)
Other operating expenses	(6,786)	(158)	(6,944)
Exploration costs	(140)	-	(140)
Depreciation, depletion and impairment of tangible assets and mineral interests	(3,635)	-	(3,635)
Other income	580	-	580
Other expense	(191)	(229)	(420)
Financial interest on debt	(567)	(2)	(569)
Financial income and expense from cash & cash equivalents	(10)	(145)	(155)
Cost of net debt	(577)	(147)	(724)
Other financial income	188	-	188
Other financial expense	(181)	-	(181)
Net income (loss) from equity affiliates	658	74	732
Income taxes	(585)	622	37
Consolidated net income	1,799	(1,797)	2
Group share	1,781	(1,747)	34
Non-controlling interests	18	(50)	(32)

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

1 st quarter 2019 (M\$)	Adjusted	Adjustments ^(a)	Consolidated statement of income
Sales	51,232	(27)	51,205
Excise taxes	(6,081)	-	(6,081)
Revenues from sales	45,151	(27)	45,124
Purchases net of inventory variation	(30,238)	517	(29,721)
Other operating expenses	(6,716)	(9)	(6,725)
Exploration costs	(288)	-	(288)
Depreciation, depletion and impairment of tangible assets and mineral interests	(3,466)	-	(3,466)
Other income	200	47	247
Other expense	(73)	(136)	(209)
Financial interest on debt	(557)	(4)	(561)
Financial income and expense from cash & cash equivalents	(28)	-	(28)
Cost of net debt	(585)	(4)	(589)
Other financial income	160	-	160
Other financial expense	(195)	-	(195)
Net income (loss) from equity affiliates	614	97	711
Income taxes	(1,754)	(155)	(1,909)
Consolidated net income	2,810	330	3,140
Group share	2,759	352	3,111
Non-controlling interests	51	(22)	29

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

10) Post-closing

There was no post closing event except for those mentioned in note 5 and note 7.