TOTAL GABON

***Société anonyme* incorporated in Gabon with a Board of Directors and share capital of $76,500,000**
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NEWS RELEASE

FIRST-HALF 2016 FINANCIAL RESULTS

Port-Gentil — August 30, 2016

Main Financial Indicators

		Q2 16	Q1 16	Q2 16 vs. Q1 16	**H1 16**	H1 15	H1 16 vs. H1 15
Average Brent price	$/b	**45.6**	33.9	+35%	**39.8**	57.8	-31%
Average Total Gabon crude price	$/b	**40.8**	28.4	+44%	**34.2**	53.2	-36%
Crude oil production from fields operated by Total Gabon	kb/d[1]	**55.0**	55.6	-1%	**55.3**	53.8	+3%
Crude oil production from Total Gabon interests[2]	kb/d	**46.0**	47.0	-2%	**46.5**	44.2	+5%
Sales volumes	Mb[3]	**4.33**	4.91	-12%	**9.24**	8.11	+14%
Revenues	$M	**194**	161	+20%	**355**	466	-24%
Funds generated from operations	$M	**37**	14	+164	**51**	73	-30%
Capital expenditures	$M	**37**	36	+3%	**73**	150	-51%
Net income (loss)	$M	**4**	(16)	N/A	**(12)**	(27)	N/A

(1) kb/d: Thousand barrels per day
(2) Including tax oil reverting to the Gabonese Republic as per production sharing contracts.
(3) Mb: Million barrels.

Second-Quarter 2016 Results

Selling Prices

In second-quarter 2016, Brent averaged $45.6 per barrel, up 35% from $33.9 in the first quarter. The selling price of the Mandji and Rabi Light crude oil grades marketed by Total Gabon averaged $40.8 per barrel, up 44% from $28.4 in the previous quarter. This increase, greater than that of Brent, was due to narrower differentials for these grades.

Production

Total Gabon's equity share of operated and non-operated oil production[1] was 46,000 barrels per day in second-quarter 2016, versus 47,000 barrels per day in the first quarter. This 2% decrease was primarily due to:

- A shut-in for preventive maintenance of the KY440 compressor on Torpille.
- Problems stabilizing output from some Anguille wells after planned shut-ins.
- A reduction in potential resulting from Rabi field's decline.

These factors were partly offset by:

- Improved availability of the Torpille wells.
- Increased production from Grondin as a result of higher output from the GRM002, GRM004 and GNM021 wells.
- Choke opening and coiled tubing interventions on the Anguille Nord Est field.
- Shut-ins on Coucal and Avocette and plugging of well ATO012 on Atora in the first quarter of 2016.

Revenues

Revenues rose by $33 million to $194 million in second-quarter 2016, up 20% from $161 million in first-quarter 2016. This improvement resulted mainly from higher selling prices of the crude oil grades marketed by Total Gabon (up $52 million) and trading on behalf of third parties (up $7 million), partly offset by a decrease in volumes sold over the period due to the lifting schedule (down $22 million) and lower revenues from services provided to third parties (down $2 million).

Funds Generated from Operations

Funds generated from operations amounted to $37 million in second-quarter 2016, versus $14 million in the first quarter. The increase was mainly due to:

- Higher revenues.
- Lower operating costs.

These factors were partly offset by:

- One-off financial expenses incurred upon renewing the credit facility.

Capital Expenditures

Second-quarter 2016 capital expenditures stood at $37 million, near the $36 million in the first quarter. Outlays mainly related to the following projects:

- Coiled tubing interventions on Anguille and Torpille.
- Completion of the Pageau project.

Net Income (Loss)

Net income of $4 million was reported in second-quarter 2016, a $20 million improvement over the $16 million loss reported for the first quarter of the year. The increase was primarily due to:

- Higher revenues.
- Lower operating costs as a result of the cost-cutting program implemented by the Company.
- The capital gain realized upon the sale of Mboga.

These factors were partly offset by:

- An increase in depreciation and amortization expense following the commissioning of work-in-progress (wells drilled).
- One-off financial expenses incurred upon renewing the credit facility.

First-Half 2016 Results

Selling Prices

Brent averaged $39.8 per barrel in the first half of 2016, down 31% from $57.8 per barrel in the prior-year period. The selling price of the Mandji and Rabi Light crude oil grades marketed by Total Gabon averaged $34.2 per barrel over the period, down 36% from $53.2 per barrel in the first half of 2015. This decrease, greater than that of Brent, was due to wider differentials for these grades.

Production

Total Gabon's equity share of operated and non-operated oil production[1] was 46,500 barrels of oil per day during the first half of 2016, up 5% from 44,200 barrels per day in the year-earlier period, primarily due to:

- Improved availability of the Anguille wells, which experienced issues with tubing deposits in 2015 and of the Torpille wells and Anguille export pumps.
- Choke opening on Anguille Nord Est (ANE) in the second quarter of 2016.

[1] Including tax oil reverting to the Republic as per production sharing contracts.

- These factors were partly offset by the natural decline from fields, the sale of Mboga and the planned shut-in of Coucal/Avocette in February 2016.

Revenues

First-half 2016 revenue was $355 million, down $111 million (24%) from $466 million in the first half of 2015. The reduction resulted primarily from lower selling prices of the crude oil grades marketed by Total Gabon (down $152 million) and decreased crude trading with third parties (down $23 million), partly offset by higher volumes sold over the period due to the lifting schedule and services provided to third parties (up $60 million and $4 million respectively).

Funds Generated from Operations

Funds generated from operations stood at $51 million in the first half of 2016, versus $73 million in the prior-year period. The decrease was primarily due to

- Lower revenues.
- One-off financial expenses incurred upon renewing the credit facility.

These factors were partly offset by:

- Lower operating costs as a result of the cost-cutting program implemented by the Company.

Capital Expenditures

Capital expenditures totaled $73 million for the period, versus $150 million in the first half of 2015. Outlays during the period mainly concerned:

- The drilling program on Gonelle (GNM020 and GNM021).
- Coiled tubing interventions on Anguille and Torpille.
- Work to improve the integrity and longevity of offshore facilities on Anguille, Torpille and Grondin and the onshore Cap Lopez terminal.
- Completion of the Pageau project.
- Geophysical and development studies.

Net Income (Loss)

In a challenging business environment, where the price of the crude oil sold fell by 36%, a net loss of $12 million was reported in the first half of 2016, an improvement of $15 million over the $27 million loss reported in the first half of 2015. The main reasons for this were:

- Lower production costs as a result of the cost-cutting program implemented by the Company.
- The capital gain upon the sale of Mboga.

These factors were partly offset by:

- Lower revenues in an environment of declining oil prices.
- An increase in depreciation and amortization expense following the commissioning of work-in-progress (wells drilled).
- One-off financial expenses incurred upon renewing the credit facility.

Highlights Since the Beginning of Second-Quarter 2015

Corporate Governance

The Board of Directors met on May 25, 2016 to review the six-year agreement to refinance the credit facility in the amount of $340 million.

At the Total Gabon Annual Shareholders' Meeting in Port-Gentil on June 17, 2016, shareholders approved the payment of a 2015 dividend before tax of $4.50 per share, corresponding to a total payout in 2016 of $20.25 million for fiscal year 2015.

The dividend was paid out from June 29 at an equivalent amount of €3.99, based on the European Central Bank's rate of €0.8886 per $1 on June 17, 2016.

Financing

The $300-million multilateral credit facility implemented in 2013 expired on May 31, 2016. It was repaid and replaced by a six-year, $340 million multilateral facility.

Health, Safety and Environment

On July 6, 2016, Total Gabon reached 500 consecutive days worked without a lost-time injury.

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