

Paris, November 25, 2016

## **Implementation of a capital increase reserved for employees and former employees of the TOTAL group**

2, place Jean Millier  
Arche Nord Coupole/Regnault  
92 400 Courbevoie France

Mike SANGSTER

Nicolas FUMEX  
Kim HOUSEGO  
Romain RICHEMONT

Tel. : + 44 (0)207 719 7962  
Fax : + 44 (0)207 719 7959

Robert HAMMOND (U.S.)  
Tel. : +1 713-483-5070  
Fax : +1 713-483-5629

TOTAL S.A.  
Capital : 6 321 148 030 €  
542 051 180 R.C.S. Nanterre

total.com

TOTAL S.A. is implementing a capital increase reserved for employees and former employees of the TOTAL group (the “Group”), the principal terms of which are described below. Through this operation, TOTAL S.A. intends to further associate its employees with the Group’s business and growth. Employee shareholders, within the meaning of Article L. 225-102 of the French Commercial Code, held 4.9% of the Company’s share capital as of December 31, 2015.

### **ISSUER**

#### **TOTAL S.A. (the “Company”)**

Information related to the Company is available on its website ([www.total.com](http://www.total.com)) and, in particular, in its 2015 Registration Document, the French version of which was filed with the French Financial Markets Authority (the “AMF”) on March 16, 2016 under the registration number D.16-0145. 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)).

### **FRAMEWORK OF THE ISSUANCE – PURPOSE OF THE OFFER**

The twenty-third resolution of the Combined General Meeting held on May 24, 2016 (the “General Meeting”) granted the Company’s Board of Directors (the “Board”) the authority to decide, within a maximum period of 26 months, on one or more capital increases reserved to members of a company or group savings plan of the Company and French or foreign affiliated companies pursuant to the provisions of Articles L. 3332-1 and seq., L. 3332-18 and seq. 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.

In order to continue the development of the employees’ shareholding within the Group, and pursuant to the above-mentioned authorization granted by the General Meeting on May 24, 2016, the Board, at its meeting on July 27, 2016, decided to carry out a new share capital increase 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 27, 2016, the offering will have the following characteristics:

✓ **Issue type:** Ordinary shares issuance by the Company, without preferential subscription rights, for eligible employees and retirees of the Company and its French and non-French subsidiaries that have adhered to 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, which is the equivalent of 0.7% of the Company's share capital as of October 31, 2016.

✓ **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 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 subscription period.

✓ **Description of the newly-issued shares:** The newly-issued 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 newly-issued shares bear immediate dividend rights.

✓ **Rights attached to the newly-issued shares:** The rights attached to the newly-issued 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 183 of the 2015 Registration Document.

✓ **Listing of the newly-issued shares on Euronext Paris:** The listing of the newly-issued 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 newly-issued shares may also be listed on the New York Stock Exchange, with one TOTAL ADR representing one share of the Company.

✓ **Entity administering the securities service for the Company:**

BNP Paribas Securities Services  
Grands Moulins de Pantin  
9, rue du Débarcadère  
93500 Pantin, France

## **TERMS AND CONDITIONS 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 and that have adhered to the PEG-A (the "eligible subsidiaries"), under the condition that local administrative authorizations have been obtained.

✓ **Beneficiaries of the reserved issue:**

Employees and former employees eligible to participate (the “beneficiaries”) are:

- employees of the Company or of an eligible subsidiary who have at least 3 months of employment with Total Group as of the last day of the subscription period (the “employees”); and
- early retirees and retirees who, at the time of their departure, were employees of the Company or one of the eligible subsidiaries, and who had made at least one payment in the PEG-A before termination of their employment, and who still have assets invested in 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. In this offer, investment of the subscriber will track the price of the Total share;
- The Capital+ Offer with leverage effect will be offered in France and in countries where applicable legal and tax constraints permit. In this offer, the subscriber will benefit from the guarantee of his/her personal contribution and a minimum return or, if higher, a multiple of the protected average increase of the Total share;

Regardless of the offer chosen by the beneficiaries, employees who subscribed to the offering will benefit from a matching contribution in the form of a free allotment of additional shares, determined based on the amount of the personal contribution and within the limit of five free shares per employee (and within the maximum amount of the offering set by the Board at its meeting on July 27, 2016). In certain countries, employees who do not receive the matching contribution could be eligible to a grant of free conditional shares pursuant to the 24<sup>th</sup> resolution of the General Meeting of May 24, 2016. A maximum of 200,000 newly-issued shares could be thus finally delivered to these beneficiaries after the end of a 5-year vesting period.

✓ **Indicative calendar:**

- Indicative date for the subscription price: March 15, 2017, subject to the Chairman and CEO’s decision.
- Indicative dates for the subscription period: subject to the Chairman and CEO’s decision, the subscription period, which is a minimum period of 5 stock market days, may be fixed from March 16, 2017 to March 31, 2017 (included).

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

✓ **Subscription and holding methods:**

The beneficiaries who would like to subscribe will have to complete, sign and return to their company the individual subscription form, or subscribe on the website by the closing date of the subscription period (tentatively scheduled for March 31, 2017).

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

For the Classic Offer:

- In France, beneficiaries will be subscribing for shares of Total via the "TOTAL ACTIONNARIAT FRANCE RELAIS 2017" FCPE. This "Relais" FCPE will subsequently be absorbed by the "TAF Compartment A" of the "TOTAL ACTIONNARIAT FRANCE" FCPE, subject to the decision of the Supervisory Boards of the FCPE and the AMF's approval.

- In other countries, beneficiaries will be subscribing for shares of Total via the "TOTAL ACTIONNARIAT INTERNATIONAL RELAIS 2017" FCPE. This "Relais" FCPE will subsequently be absorbed by the "TAIC Compartment A" of the "TOTAL ACTIONNARIAT INTERNATIONAL CAPITALISATION" FCPE, subject to the decision of the Supervisory Boards of the FCPE and the AMF's approval.

In certain countries, beneficiaries will directly subscribe for shares of the Company or for Total ADRs (for beneficiaries participating in the offering in the United States).

For the Capital+ Offer with leverage effect:

- In France, beneficiaries will be subscribing for shares of TOTAL via the "TOTAL FRANCE CAPITAL + 2017" Compartment of the "TOTAL FRANCE CAPITAL+" FCPE;

- In other countries, employees of companies established in the countries where the Capital + offer can be implemented will be subscribing for shares of Total via the Compartment "TOTAL INTL A CAPITAL+ 2017" or the Compartment "TOTAL INTL B CAPITAL + 2017" of the "TOTAL INTL CAPITAL" FCPE, depending on the structure set for each country.

The FCPEs created for the needs of this offering were approved by the AMF on September 23, 2016.

Voting rights attached to shares subscribed through an FCPE will be exercised by the Supervisory Board of the relevant FCPE. With regards to the shares subscribed directly by employees, the voting rights will be exercised by the subscribers individually.

✓ **Maximum subscription:**

Pursuant to Article L.3332-10 of the French Labor Code, the amount of the payments made each year by an employee as part of a Savings Plan (excluding matching contribution and profit-sharing schemes, i.e., *intéressement* and *participation*) cannot exceed one quarter of the employee's gross annual salary.

For the Capital + offer with leverage effect, the limit of one quarter of the employee's gross annual salary comprises the additional contribution provided by the bank.

✓ **Lock-up period for the units or shares:**

Pursuant to Article L. 3332-25 of the French Labor Code, shares or FCPE units subscribed in this offering must be held during a lock-up 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 not French tax residents, the list of early release cases may be reduced due to legal provisions applicable locally.

✓ **Rule for reduction of subscription requests:**

The capital increase will be fulfilled by the total number of shares subscribed to via the FCPEs referred to above and directly by employees in certain countries. If the total number described above exceeds the 18 million shares limit set by the Board of Directors at its meeting on July 27, 2016, including additional shares of the matching contribution, the subscriptions will be cut back in the following manner:

- all subscription commitments 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; and
- subscriptions commitments that exceed the Subscription Average will be fulfilled in proportion to the number of subscription commitments not yet fulfilled with the reduction being made as follows:
  - for subscriptions to both the Classic and Capital + offers, the reduction will be made to each offer on a *pro rata* basis according to the subscription for each of the offers; and
  - for each offer, reduction will be made first on the portion of the offer paid for with salary advances, then on the portion paid for in cash.

**HEDGING OPERATIONS**

The implementation of the Capital + leveraged offer could cause the financial institution that is the counterpart of the swap operation to conduct hedging operations, in particular from the beginning of the period of calculation of the reference price and during the entire period of the offering.

**NOTICE**

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 Total shares offered in the United States will be registered with the Securities and Exchange Commission (SEC). Shares and FCPE units offered outside the United States have not been and will not be registered with the SEC. In particular, the units of the above-mentioned FCPEs cannot be offered or sold in the United States of America directly or indirectly (or in its territories or possessions), or for the benefit of a "U.S. Person", as defined in American regulations. Persons wishing to subscribe to units in these FCPEs, will have to certify, when subscribing, that they are not "U.S. Persons". The definition of "U.S. Person" is available on the FCPE Management Company's website ([www.amundi.com](http://www.amundi.com)).

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).

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 into the internal law of the Member States of the European Union and, with respect to French law, in 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.totalcapital2017.com](http://www.totalcapital2017.com) from February 3, 2017 or contact their Human Resources Department.

\* \* \* \* \*

**About Total**

Total is a global integrated energy producer and provider, a leading international oil and gas company, and the world's second-ranked solar energy operator with SunPower. Our 96,000 employees are committed to better energy that is safer, cleaner, more efficient, more innovative and accessible to as many people as possible. As a responsible corporate citizen, we focus on ensuring that our operations in more than 130 countries worldwide consistently deliver economic, social and environmental benefits. [total.com](http://total.com)