

Total and Petrobras implement their Strategic Alliance through an Assets Package Agreement

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 : 6 070 319 860 €
542 051 180 R.C.S. Nanterre

total.com

Paris, December 21, 2016 – Total and Petrobras signed today an Assets Package Agreement in the framework of their Strategic Alliance announced in October 2016. This agreement reinforces the joint partnership and cooperation between the two companies, in the Upstream and Downstream sectors, covering operations, research and technology.

In the Upstream, the technical cooperation will be strongly reinforced between the two companies including joint assessment of the exploration potential in key prospective areas in Brazil and the development of new technologies.

Total will also become partner to Petrobras in two high-quality pre-salt licenses of the prolific Santos basin: the BMS-11 with the “Iara” fields currently under development where Total will acquire a 22.5% interest from Petrobras, and in the BMS-9 with the Lapa field which just entered into production and where Total will become the Operator of the license with the acquisition of a 35% interest from Petrobras. The two companies will combine their internationally recognized expertise in deep-water to jointly develop solutions for long subsea tie-backs, reservoirs with high CO₂ content and digital geosciences data management. Total will also offer to Petrobras the option of taking a 20% stake in the Perdido Belt deepwater exploration Block 2 recently awarded in Mexico.

In the Downstream, Total will bring to Petrobras its worldwide experience by entering the integrated gas and power market in Brazil. Total will acquire from Petrobras some regasification capacity in the Bahia LNG terminal and a 50% interest in two co-generation plants located in the Bahia area as well as pipeline transport capacity, enabling Total to supply gas to the two co-generation plants.

Following today’s signature, Patrick Pouyanné, Chairman and CEO, said: *“I am delighted today to see the concretization of our Strategic Alliance with Petrobras. These agreements will reinforce Total’s position in Brazil through access to outstanding pre-salt resources while entering the promising gas value chain. I’m confident that both companies will be able to create significant value by sharing their technical expertise, leveraging operational excellence and further reducing costs.”*

Under the terms of this assets package deal, the acquisition of the Upstream and Downstream interests in Brazil from Petrobras will represent a global value of around 2.2 billion dollars, made of cash, carry and contingent payments. It is subject to the final execution of the Sale and Purchase agreements, to the relevant regulatory approvals and to partners' preemption rights only on the lara transaction.

Total and Petrobras:

Currently, Petrobras and Total jointly participate in 19 consortiums worldwide in Exploration and Production. In Brazil, the companies are partners in the development of the giant Libra field which is the first Production Sharing Contract in the Brazilian pre-salt Santos basin. Outside Brazil, Petrobras and Total are partners on the Chinook field in the US Gulf of Mexico, on the deep-water Akpo field in Nigeria and on the gas fields of San Alberto and San Antonio/Itau in Bolivia, as well as in the Bolivia-Brazil gas pipeline.

* * * * *

Total in Brazil:

Total has been present in Brazil for over 40 years (since 1975), employs more than 2,500 people and operates through five affiliates in the Exploration & Production; Gas; Lubricants; Chemicals and Renewable Energies (solar and biomass) segments. In 2013, the company increased its presence in the country by acquiring 11 new exploration areas, including the Libra field, and currently has a large E&P portfolio comprised of 17 offshore blocks. Through this large and integrated portfolio, Total reaffirms its long-term commitment with the country and Brazil's key-role for the company's global growth strategy.

* * * * *

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

Cautionary note

This press release, from which no legal consequences may be drawn, is for information purposes only. The entities in which TOTAL S.A. directly or indirectly owns investments are separate legal entities. TOTAL S.A. has no liability for their acts or omissions. In this document, the terms "Total" and "Total Group" are sometimes used for convenience where general references are made to TOTAL S.A. and/or its subsidiaries. Likewise, the words "we", "us" and "our" may also be used to refer to subsidiaries in general or to those who work for them.

This document may contain forward-looking information and statements that are based on a number of economic data and assumptions made in a given economic, competitive and regulatory environment. They may prove to be inaccurate in the future and are subject to a number of risk factors. Neither TOTAL S.A. 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.