

# TOTAL

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST SIX MONTHS 2020

*(unaudited)*

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### **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 SE and its subsidiaries (the Group) as of June 30, 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 June 30, 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 June 30, 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.

As of June 30, 2020, the Group has decided to revise the price assumptions used for its assets impairment tests. Based on these new assumptions, asset impairments were recorded during the period. In line with its new Climate Ambition announced on May 5, 2020, which aims at carbon neutrality, the Group has reviewed its oil assets that can be qualified as "stranded", and therefore has decided to impair its oil sands assets in Canada. These impairments and revised assumptions are presented in note 3.4 *Asset impairment*.

Moreover, 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.

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 four 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**

- In May 2020, TOTAL confirmed its commitment to completing the sale of its UK North Sea non-core assets, first announced in July 2019. TOTAL and Norway-based private equity investor HitecVision have successfully renegotiated the financial terms of the deal to respond to the current environment – while Petrogas is no longer part of the transaction. Subject to necessary approvals, the parties expect to complete the transaction by the third quarter of 2020.

At June 30, 2020, the assets and liabilities have been respectively classified in the consolidated balance sheet in “asset classified as held for sale” for an amount of \$421 million and “liabilities classified as held for sale” for an amount of \$328 million. The concerned assets mainly include intangible and tangible assets.

## **3) Business segment information**

### **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.

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.

Furthermore, TOTAL enters into derivative instruments to risk manage certain operational contracts or assets. Under IFRS, these derivatives are recorded at fair value while the underlying operational transactions are recorded as they occur. Internal indicators defer the fair value on derivatives to match with the transaction occurrence.

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.

### 3.1) Information by business segment

1 <sup>st</sup> half 2020 (M\$)	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	2,574	8,403	27,956	30,661	6	-	69,600
Intersegment sales	8,661	895	9,051	196	59	(18,862)	-
Excise taxes	-	-	(1,119)	(8,342)	-	-	(9,461)
<b>Revenues from sales</b>	<b>11,235</b>	<b>9,298</b>	<b>35,888</b>	<b>22,515</b>	<b>65</b>	<b>(18,862)</b>	<b>60,139</b>
Operating expenses	(6,048)	(8,398)	(35,736)	(21,730)	(562)	18,862	(53,612)
Depreciation, depletion and impairment of tangible assets and mineral interests	(12,311)	(1,616)	(788)	(473)	(40)	-	(15,228)
<b>Operating income</b>	<b>(7,124)</b>	<b>(716)</b>	<b>(636)</b>	<b>312</b>	<b>(537)</b>	-	<b>(8,701)</b>
Net income (loss) from equity affiliates and other items	440	420	(92)	32	164	-	964
Tax on net operating income	(56)	330	203	(159)	2	-	320
<b>Net operating income</b>	<b>(6,740)</b>	<b>34</b>	<b>(525)</b>	<b>185</b>	<b>(371)</b>	-	<b>(7,417)</b>
Net cost of net debt							(1,003)
Non-controlling interests							85
<b>Net income - group share</b>							<b>(8,335)</b>

1 <sup>st</sup> half 2020 (adjustments) <sup>(a)</sup> (M\$)	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	-	(16)	-	-	-	-	(16)
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
<b>Revenues from sales</b>	<b>-</b>	<b>(16)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16)</b>
Operating expenses	(37)	(318)	(1,637)	(341)	(91)	-	(2,424)
Depreciation, depletion and impairment of tangible assets and mineral interests	(7,338)	(953)	-	-	-	-	(8,291)
<b>Operating income <sup>(b)</sup></b>	<b>(7,375)</b>	<b>(1,287)</b>	<b>(1,637)</b>	<b>(341)</b>	<b>(91)</b>	-	<b>(10,731)</b>
Net income (loss) from equity affiliates and other items	71	(292)	(271)	(5)	-	-	(497)
Tax on net operating income	70	374	426	100	12	-	982
<b>Net operating income <sup>(b)</sup></b>	<b>(7,234)</b>	<b>(1,205)</b>	<b>(1,482)</b>	<b>(246)</b>	<b>(79)</b>	-	<b>(10,246)</b>
Net cost of net debt							(68)
Non-controlling interests							72
<b>Net income - group share</b>							<b>(10,242)</b>

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

<sup>(b)</sup> Of which inventory valuation effect

- On operating income

- On net operating income

1 <sup>st</sup> half 2020 (adjusted) (M\$)	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	2,574	8,419	27,956	30,661	6	-	69,616
Intersegment sales	8,661	895	9,051	196	59	(18,862)	-
Excise taxes	-	-	(1,119)	(8,342)	-	-	(9,461)
<b>Revenues from sales</b>	<b>11,235</b>	<b>9,314</b>	<b>35,888</b>	<b>22,515</b>	<b>65</b>	<b>(18,862)</b>	<b>60,155</b>
Operating expenses	(6,011)	(8,080)	(34,099)	(21,389)	(471)	18,862	(51,188)
Depreciation, depletion and impairment of tangible assets and mineral interests	(4,973)	(663)	(788)	(473)	(40)	-	(6,937)
<b>Adjusted operating income</b>	<b>251</b>	<b>571</b>	<b>1,001</b>	<b>653</b>	<b>(446)</b>	-	<b>2,030</b>
Net income (loss) from equity affiliates and other items	369	712	179	37	164	-	1,461
Tax on net operating income	(126)	(44)	(223)	(259)	(10)	-	(662)
<b>Adjusted net operating income</b>	<b>494</b>	<b>1,239</b>	<b>957</b>	<b>431</b>	<b>(292)</b>	-	<b>2,829</b>
Net cost of net debt							(935)
Non-controlling interests							13
<b>Adjusted net income - group share</b>							<b>1,907</b>

1 <sup>st</sup> half 2020 (M\$)	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	3,265	3,461	533	334	66	-	7,659
Total divestments	325	433	101	72	26	-	957
Cash flow from operating activities	4,833	900	(103)	420	(1,272)	-	4,778

1 <sup>st</sup> half 2019	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	4,067	10,208	44,220	43,950	2	-	102,447
Intersegment sales	15,302	1,259	16,310	301	63	(33,235)	-
Excise taxes	-	-	(1,537)	(10,584)	-	-	(12,121)
<b>Revenues from sales</b>	<b>19,369</b>	<b>11,467</b>	<b>58,993</b>	<b>33,667</b>	<b>65</b>	<b>(33,235)</b>	<b>90,326</b>
Operating expenses	(8,234)	(10,287)	(56,502)	(32,178)	(406)	33,235	(74,372)
Depreciation, depletion and impairment of tangible assets and mineral interests	(5,216)	(643)	(763)	(470)	(35)	-	(7,127)
<b>Operating income</b>	<b>5,919</b>	<b>537</b>	<b>1,728</b>	<b>1,019</b>	<b>(376)</b>	-	<b>8,827</b>
Net income (loss) from equity affiliates and other items	367	1,041	260	101	27	-	1,796
Tax on net operating income	(2,585)	(623)	(246)	(334)	124	-	(3,664)
<b>Net operating income</b>	<b>3,701</b>	<b>955</b>	<b>1,742</b>	<b>786</b>	<b>(225)</b>	-	<b>6,959</b>
Net cost of net debt							(1,015)
Non-controlling interests							(77)
<b>Net income - group share</b>							<b>5,867</b>

1 <sup>st</sup> half 2019 (adjustments) <sup>(a)</sup>	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	-	(86)	-	-	-	-	(86)
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
<b>Revenues from sales</b>	<b>-</b>	<b>(86)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(86)</b>
Operating expenses	-	(112)	449	40	-	-	377
Depreciation, depletion and impairment of tangible assets and mineral interests	(43)	(11)	(10)	-	-	-	(64)
<b>Operating income <sup>(b)</sup></b>	<b>(43)</b>	<b>(209)</b>	<b>439</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>227</b>
Net income (loss) from equity affiliates and other items	-	413	(47)	(7)	-	-	359
Tax on net operating income	-	(270)	(121)	(13)	-	-	(404)
<b>Net operating income <sup>(b)</sup></b>	<b>(43)</b>	<b>(66)</b>	<b>271</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>182</b>
Net cost of net debt							(8)
Non-controlling interests							47
<b>Net income - group share</b>							<b>221</b>

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

<sup>(b)</sup> Of which inventory valuation effect

- On operating income	-	-	486	40	-	
- On net operating income	-	-	344	27	-	

1 <sup>st</sup> half 2019 (adjusted)	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	4,067	10,294	44,220	43,950	2	-	102,533
Intersegment sales	15,302	1,259	16,310	301	63	(33,235)	-
Excise taxes	-	-	(1,537)	(10,584)	-	-	(12,121)
<b>Revenues from sales</b>	<b>19,369</b>	<b>11,553</b>	<b>58,993</b>	<b>33,667</b>	<b>65</b>	<b>(33,235)</b>	<b>90,412</b>
Operating expenses	(8,234)	(10,175)	(56,951)	(32,218)	(406)	33,235	(74,749)
Depreciation, depletion and impairment of tangible assets and mineral interests	(5,173)	(632)	(753)	(470)	(35)	-	(7,063)
<b>Adjusted operating income</b>	<b>5,962</b>	<b>746</b>	<b>1,289</b>	<b>979</b>	<b>(376)</b>	-	<b>8,600</b>
Net income (loss) from equity affiliates and other items	367	628	307	108	27	-	1,437
Tax on net operating income	(2,585)	(353)	(125)	(321)	124	-	(3,260)
<b>Adjusted net operating income</b>	<b>3,744</b>	<b>1,021</b>	<b>1,471</b>	<b>766</b>	<b>(225)</b>	-	<b>6,777</b>
Net cost of net debt							(1,007)
Non-controlling interests							(124)
<b>Adjusted net income - group share</b>							<b>5,646</b>

1 <sup>st</sup> half 2019	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Total expenditures	4,282	1,975	648	527	51		7,483
Total divestments	89	574	239	157	3		1,062
Cash flow from operating activities	7,704	1,533	1,120	843	(1,320)		9,880

2 <sup>nd</sup> quarter 2020	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	992	3,313	9,433	11,986	6	-	25,730
Intersegment sales	3,097	301	2,956	107	31	(6,492)	-
Excise taxes	-	-	(469)	(3,699)	-	-	(4,168)
<b>Revenues from sales</b>	<b>4,089</b>	<b>3,614</b>	<b>11,920</b>	<b>8,394</b>	<b>37</b>	<b>(6,492)</b>	<b>21,562</b>
Operating expenses	(2,405)	(3,406)	(10,895)	(7,931)	(315)	6,492	(18,460)
Depreciation, depletion and impairment of tangible assets and mineral interests	(9,667)	(1,282)	(393)	(229)	(22)	-	(11,593)
<b>Operating income</b>	<b>(7,983)</b>	<b>(1,074)</b>	<b>632</b>	<b>234</b>	<b>(300)</b>	-	<b>(8,491)</b>
Net income (loss) from equity affiliates and other items	17	21	(35)	22	40	-	65
Tax on net operating income	398	322	(132)	(127)	(26)	-	435
<b>Net operating income</b>	<b>(7,568)</b>	<b>(731)</b>	<b>465</b>	<b>129</b>	<b>(286)</b>	-	<b>(7,991)</b>
Net cost of net debt							(431)
Non-controlling interests							53
<b>Net income - group share</b>							<b>(8,369)</b>

2 <sup>nd</sup> quarter 2020 (adjustments) <sup>(a)</sup>	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	-	(18)	-	-	-	-	(18)
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
<b>Revenues from sales</b>	<b>-</b>	<b>(18)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18)</b>
Operating expenses	(27)	(199)	(48)	5	(36)	-	(305)
Depreciation, depletion and impairment of tangible assets and mineral interests	(7,338)	(953)	-	-	-	-	(8,291)
<b>Operating income <sup>(b)</sup></b>	<b>(7,365)</b>	<b>(1,170)</b>	<b>(48)</b>	<b>5</b>	<b>(36)</b>	-	<b>(8,614)</b>
Net income (loss) from equity affiliates and other items	(57)	(217)	(63)	(5)	-	-	(342)
Tax on net operating income	63	330	1	-	12	-	406
<b>Net operating income <sup>(b)</sup></b>	<b>(7,359)</b>	<b>(1,057)</b>	<b>(110)</b>	<b>-</b>	<b>(24)</b>	-	<b>(8,550)</b>
Net cost of net debt							33
Non-controlling interests							22
<b>Net income - group share</b>							<b>(8,495)</b>

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

<sup>(b)</sup> Of which inventory valuation effect

- On operating income	-	-	(26)	(16)	-		
- On net operating income	-	-	(86)	(9)	-		

2 <sup>nd</sup> quarter 2020 (adjusted)	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	992	3,331	9,433	11,986	6	-	25,748
Intersegment sales	3,097	301	2,956	107	31	(6,492)	-
Excise taxes	-	-	(469)	(3,699)	-	-	(4,168)
<b>Revenues from sales</b>	<b>4,089</b>	<b>3,632</b>	<b>11,920</b>	<b>8,394</b>	<b>37</b>	<b>(6,492)</b>	<b>21,580</b>
Operating expenses	(2,378)	(3,207)	(10,847)	(7,936)	(279)	6,492	(18,155)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,329)	(329)	(393)	(229)	(22)	-	(3,302)
<b>Adjusted operating income</b>	<b>(618)</b>	<b>96</b>	<b>680</b>	<b>229</b>	<b>(264)</b>	-	<b>123</b>
Net income (loss) from equity affiliates and other items	74	238	28	27	40	-	407
Tax on net operating income	335	(8)	(133)	(127)	(38)	-	29
<b>Adjusted net operating income</b>	<b>(209)</b>	<b>326</b>	<b>575</b>	<b>129</b>	<b>(262)</b>	-	<b>559</b>
Net cost of net debt							(464)
Non-controlling interests							31
<b>Adjusted net income - group share</b>							<b>126</b>

2 <sup>nd</sup> quarter 2020	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Total expenditures	1,606	1,170	307	174	21	-	3,278
Total divestments	204	89	22	26	9	-	350
Cash flow from operating activities	910	1,389	1,080	819	(719)	-	3,479

2 <sup>nd</sup> quarter 2019	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	2,273	3,789	22,509	22,671	-	-	51,242
Intersegment sales	7,586	632	8,293	139	36	(16,686)	-
Excise taxes	-	-	(761)	(5,279)	-	-	(6,040)
<b>Revenues from sales</b>	<b>9,859</b>	<b>4,421</b>	<b>30,041</b>	<b>17,531</b>	<b>36</b>	<b>(16,686)</b>	<b>45,202</b>
Operating expenses	(4,205)	(3,878)	(29,168)	(16,844)	(229)	16,686	(37,638)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,687)	(328)	(389)	(237)	(20)	-	(3,661)
<b>Operating income</b>	<b>2,967</b>	<b>215</b>	<b>484</b>	<b>450</b>	<b>(213)</b>	<b>-</b>	<b>3,903</b>
Net income (loss) from equity affiliates and other items	173	661	111	111	26	-	1,082
Tax on net operating income	(1,161)	(450)	46	(170)	64	-	(1,671)
<b>Net operating income</b>	<b>1,979</b>	<b>426</b>	<b>641</b>	<b>391</b>	<b>(123)</b>	<b>-</b>	<b>3,314</b>
Net cost of net debt							(510)
Non-controlling interests							(48)
<b>Net income - group share</b>							<b>2,756</b>

2 <sup>nd</sup> quarter 2019 (adjustments) <sup>(a)</sup>	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	-	(59)	-	-	-	-	(59)
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
<b>Revenues from sales</b>	<b>-</b>	<b>(59)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(59)</b>
Operating expenses	-	(54)	(43)	(34)	-	-	(131)
Depreciation, depletion and impairment of tangible assets and mineral interests	(43)	(11)	(10)	-	-	-	(64)
<b>Operating income <sup>(b)</sup></b>	<b>(43)</b>	<b>(124)</b>	<b>(53)</b>	<b>(34)</b>	<b>-</b>	<b>-</b>	<b>(254)</b>
Net income (loss) from equity affiliates and other items	-	407	(49)	(7)	-	-	351
Tax on net operating income	-	(286)	28	9	-	-	(249)
<b>Net operating income <sup>(b)</sup></b>	<b>(43)</b>	<b>(3)</b>	<b>(74)</b>	<b>(32)</b>	<b>-</b>	<b>-</b>	<b>(152)</b>
Net cost of net debt							(4)
Non-controlling interests							25
<b>Net income - group share</b>							<b>(131)</b>

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

<sup>(b)</sup> Of which inventory valuation effect

- On operating income

- On net operating income

2 <sup>nd</sup> quarter 2019 (adjusted)	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Non-Group sales	2,273	3,848	22,509	22,671	-	-	51,301
Intersegment sales	7,586	632	8,293	139	36	(16,686)	-
Excise taxes	-	-	(761)	(5,279)	-	-	(6,040)
<b>Revenues from sales</b>	<b>9,859</b>	<b>4,480</b>	<b>30,041</b>	<b>17,531</b>	<b>36</b>	<b>(16,686)</b>	<b>45,261</b>
Operating expenses	(4,205)	(3,824)	(29,125)	(16,810)	(229)	16,686	(37,507)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,644)	(317)	(379)	(237)	(20)	-	(3,597)
<b>Adjusted operating income</b>	<b>3,010</b>	<b>339</b>	<b>537</b>	<b>484</b>	<b>(213)</b>	<b>-</b>	<b>4,157</b>
Net income (loss) from equity affiliates and other items	173	254	160	118	26	-	731
Tax on net operating income	(1,161)	(164)	18	(179)	64	-	(1,422)
<b>Adjusted net operating income</b>	<b>2,022</b>	<b>429</b>	<b>715</b>	<b>423</b>	<b>(123)</b>	<b>-</b>	<b>3,466</b>
Net cost of net debt							(506)
Non-controlling interests							(73)
<b>Adjusted net income - group share</b>							<b>2,887</b>

2 <sup>nd</sup> quarter 2019	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
(M\$)							
Total expenditures	2,257	857	363	383	36	-	3,896
Total divestments	60	349	70	85	1	-	565
Cash flow from operating activities	3,768	641	1,658	611	(427)	-	6,251

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

1 <sup>st</sup> half 2020 (M\$)	Adjusted	Adjustments <sup>(a)</sup>	Consolidated statement of income
<b>Sales</b>	<b>69,616</b>	<b>(16)</b>	<b>69,600</b>
Excise taxes	(9,461)	-	(9,461)
Revenues from sales	60,155	(16)	60,139
Purchases net of inventory variation	(37,949)	(2,144)	(40,093)
Other operating expenses	(12,985)	(280)	(13,265)
Exploration costs	(254)	-	(254)
Depreciation, depletion and impairment of tangible assets and mineral interests	(6,937)	(8,291)	(15,228)
Other income	820	122	942
Other expense	(294)	(234)	(528)
Financial interest on debt	(1,094)	(5)	(1,099)
Financial income and expense from cash & cash equivalents	(13)	(92)	(105)
Cost of net debt	(1,107)	(97)	(1,204)
Other financial income	607	-	607
Other financial expense	(341)	(1)	(342)
Net income (loss) from equity affiliates	669	(384)	285
Income taxes	(490)	1,011	521
<b>Consolidated net income</b>	<b>1,894</b>	<b>(10,314)</b>	<b>(8,420)</b>
Group share	1,907	(10,242)	(8,335)
Non-controlling interests	(13)	(72)	(85)

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

1 <sup>st</sup> half 2019 (M\$)	Adjusted	Adjustments <sup>(a)</sup>	Consolidated statement of income
<b>Sales</b>	<b>102,533</b>	<b>(86)</b>	<b>102,447</b>
Excise taxes	(12,121)	-	(12,121)
Revenues from sales	90,412	(86)	90,326
Purchases net of inventory variation	(60,533)	422	(60,111)
Other operating expenses	(13,758)	(45)	(13,803)
Exploration costs	(458)	-	(458)
Depreciation, depletion and impairment of tangible assets and mineral interests	(7,063)	(64)	(7,127)
Other income	453	115	568
Other expense	(190)	(208)	(398)
Financial interest on debt	(1,121)	(8)	(1,129)
Financial income and expense from cash & cash equivalents	(70)	-	(70)
Cost of net debt	(1,191)	(8)	(1,199)
Other financial income	486	-	486
Other financial expense	(383)	-	(383)
Net income (loss) from equity affiliates	1,071	452	1,523
Income taxes	(3,076)	(404)	(3,480)
<b>Consolidated net income</b>	<b>5,770</b>	<b>174</b>	<b>5,944</b>
Group share	5,646	221	5,867
Non-controlling interests	124	(47)	77

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



<b>2<sup>nd</sup> quarter 2020</b>	<b>Consolidated</b>		
(M\$)	<b>Adjusted</b>	<b>Adjustments<sup>(a)</sup></b>	<b>statement</b>
			<b>of income</b>
<b>Sales</b>	<b>25,748</b>	<b>(18)</b>	<b>25,730</b>
Excise taxes	(4,168)	-	(4,168)
Revenues from sales	21,580	(18)	21,562
Purchases net of inventory variation	(11,842)	(183)	(12,025)
Other operating expenses	(6,199)	(122)	(6,321)
Exploration costs	(114)	-	(114)
Depreciation, depletion and impairment of tangible assets and mineral interests	(3,302)	(8,291)	(11,593)
Other income	240	122	362
Other expense	(103)	(5)	(108)
Financial interest on debt	(527)	(3)	(530)
Financial income and expense from cash & cash equivalents	(3)	53	50
Cost of net debt	(530)	50	(480)
Other financial income	419	-	419
Other financial expense	(160)	(1)	(161)
Net income (loss) from equity affiliates	11	(458)	(447)
Income taxes	95	389	484
<b>Consolidated net income</b>	<b>95</b>	<b>(8,517)</b>	<b>(8,422)</b>
Group share	126	(8,495)	(8,369)
Non-controlling interests	(31)	(22)	(53)

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

<b>2<sup>nd</sup> quarter 2019</b>	<b>Consolidated</b>		
(M\$)	<b>Adjusted</b>	<b>Adjustments<sup>(a)</sup></b>	<b>statement</b>
			<b>of income</b>
<b>Sales</b>	<b>51,301</b>	<b>(59)</b>	<b>51,242</b>
Excise taxes	(6,040)	-	(6,040)
Revenues from sales	45,261	(59)	45,202
Purchases net of inventory variation	(30,295)	(95)	(30,390)
Other operating expenses	(7,042)	(36)	(7,078)
Exploration costs	(170)	-	(170)
Depreciation, depletion and impairment of tangible assets and mineral interests	(3,597)	(64)	(3,661)
Other income	253	68	321
Other expense	(117)	(72)	(189)
Financial interest on debt	(564)	(4)	(568)
Financial income and expense from cash & cash equivalents	(42)	-	(42)
Cost of net debt	(606)	(4)	(610)
Other financial income	326	-	326
Other financial expense	(188)	-	(188)
Net income (loss) from equity affiliates	457	355	812
Income taxes	(1,322)	(249)	(1,571)
<b>Consolidated net income</b>	<b>2,960</b>	<b>(156)</b>	<b>2,804</b>
Group share	2,887	(131)	2,756
Non-controlling interests	73	(25)	48

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

### 3.3) Adjustment items

The detail of the adjustment items is presented in the table below.

#### ADJUSTMENTS TO OPERATING INCOME

(M\$)		Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Total
<b>2<sup>nd</sup> quarter 2020</b>	Inventory valuation effect	-	-	(26)	(16)	-	(42)
	Effect of changes in fair value	-	(100)	-	-	-	(100)
	Restructuring charges	-	(10)	(7)	-	-	(17)
	Asset impairment charges	(7,338)	(953)	-	-	-	(8,291)
	Other items	(27)	(107)	(15)	21	(36)	(164)
<b>Total</b>		<b>(7,365)</b>	<b>(1,170)</b>	<b>(48)</b>	<b>5</b>	<b>(36)</b>	<b>(8,614)</b>
<b>2<sup>nd</sup> quarter 2019</b>	Inventory valuation effect	-	-	(6)	(34)	-	(40)
	Effect of changes in fair value	-	(59)	-	-	-	(59)
	Restructuring charges	-	-	-	-	-	-
	Asset impairment charges	(43)	(11)	(10)	-	-	(64)
	Other items	-	(54)	(37)	-	-	(91)
<b>Total</b>		<b>(43)</b>	<b>(124)</b>	<b>(53)</b>	<b>(34)</b>	<b>-</b>	<b>(254)</b>
<b>1<sup>st</sup> half 2020</b>	Inventory valuation effect	-	-	(1,604)	(234)	-	(1,838)
	Effect of changes in fair value	-	(98)	-	-	-	(98)
	Restructuring charges	(10)	(18)	(7)	-	-	(35)
	Asset impairment charges	(7,338)	(953)	-	-	-	(8,291)
	Other items	(27)	(218)	(26)	(107)	(91)	(469)
<b>Total</b>		<b>(7,375)</b>	<b>(1,287)</b>	<b>(1,637)</b>	<b>(341)</b>	<b>(91)</b>	<b>(10,731)</b>
<b>1<sup>st</sup> half 2019</b>	Inventory valuation effect	-	-	486	40	-	526
	Effect of changes in fair value	-	(86)	-	-	-	(86)
	Restructuring charges	-	-	-	-	-	-
	Asset impairment charges	(43)	(11)	(10)	-	-	(64)
	Other items	-	(112)	(37)	-	-	(149)
<b>Total</b>		<b>(43)</b>	<b>(209)</b>	<b>439</b>	<b>40</b>	<b>-</b>	<b>227</b>

## ADJUSTMENTS TO NET INCOME, GROUP SHARE

	Exploration & Production	Integrated Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Total
(M\$)						
<b>2<sup>nd</sup> quarter 2020</b>						
Inventory valuation effect	-	-	(83)	(11)	-	(94)
Effect of changes in fair value	-	(80)	-	-	-	(80)
Restructuring charges	-	(10)	(10)	-	-	(20)
Asset impairment charges	(7,272)	(829)	-	-	-	(8,101)
Gains (losses) on disposals of assets	-	-	-	-	-	-
Other items	(77)	(131)	(14)	10	12	(200)
<b>Total</b>	<b>(7,349)</b>	<b>(1,050)</b>	<b>(107)</b>	<b>(1)</b>	<b>12</b>	<b>(8,495)</b>
<b>2<sup>nd</sup> quarter 2019</b>						
Inventory valuation effect	-	-	(3)	(25)	-	(28)
Effect of changes in fair value	-	(47)	-	-	-	(47)
Restructuring charges	-	(14)	(17)	-	-	(31)
Asset impairment charges	(43)	(6)	(8)	-	-	(57)
Gains (losses) on disposals of assets	-	-	-	-	-	-
Other items	-	86	(48)	(6)	-	32
<b>Total</b>	<b>(43)</b>	<b>19</b>	<b>(76)</b>	<b>(31)</b>	<b>-</b>	<b>(131)</b>
<b>1<sup>st</sup> half 2020</b>						
Inventory valuation effect	-	-	(1,364)	(144)	-	(1,508)
Effect of changes in fair value	-	(79)	-	-	-	(79)
Restructuring charges	(3)	(22)	(75)	-	-	(100)
Asset impairment charges	(7,272)	(829)	-	-	-	(8,101)
Gains (losses) on disposals of assets	-	-	-	-	-	-
Other items	51	(256)	(36)	(71)	(142)	(454)
<b>Total</b>	<b>(7,224)</b>	<b>(1,186)</b>	<b>(1,475)</b>	<b>(215)</b>	<b>(142)</b>	<b>(10,242)</b>
<b>1<sup>st</sup> half 2019</b>						
Inventory valuation effect	-	-	341	19	-	360
Effect of changes in fair value	-	(69)	-	-	-	(69)
Restructuring charges	-	(16)	(17)	-	-	(33)
Asset impairment charges	(43)	(6)	(8)	-	-	(57)
Gains (losses) on disposals of assets	-	-	-	-	-	-
Other items	-	74	(48)	(6)	-	20
<b>Total</b>	<b>(43)</b>	<b>(17)</b>	<b>268</b>	<b>13</b>	<b>-</b>	<b>221</b>

### 3.4) Asset impairment

Impairments relate to certain cash-generating units (CGUs) for which indicators of impairment have been identified, due to changes in operating conditions or the economic environment of the activities concerned.

For the calculation of impairment tests of its assets, TOTAL set in 2019 a price scenario with a 2050 Brent price of 50\$/b, in line with the “well below 2°C” scenario of the IEA. This scenario is described in the Universal Registration Document (note 3 of chapter 8).

Given the drop of the oil price in 2020, TOTAL decided to revise the price assumptions over the next years and selected the following profile of the Brent price: 35\$/b in 2020, 40\$/b in 2021, 50\$/b in 2022, 60\$/b in 2023; gas prices have been adjusted accordingly.

For the longer term, TOTAL maintains its analysis, that the weakness of investments in the hydrocarbon sector since 2015 accentuated by the health and economic crisis of 2020 will result by 2025 in insufficient worldwide production capacities and a rebound in prices. Beyond 2030, given technological developments, particularly in the transport sector, TOTAL anticipates oil demand will have reached its peak and Brent prices should tend toward the long-term price of 50\$/b, in line with the IEA's SDS scenario.

The average Brent prices over the period 2020-2050 thus stands at 56.8\$<sub>2020</sub>/b.

The future operational costs were determined by taking into account the existing technologies, the fluctuation of prices for petroleum services in line with market developments and the internal cost reduction programs effectively implemented.

The future cash flows are estimated over a period consistent with the life of the assets of the CGUs. They are prepared post-tax and take into account specific risks related to the CGUs' assets. They are discounted using a 7% post-tax discount rate, this rate being the weighted-average cost of capital estimated from historical market data.

The CGUs of the Exploration & Production segment are defined as oil and gas fields or groups of oil and gas fields with industrial assets enabling the production, treatment and evacuation of the oil and gas. For the first half year 2020, impairments of assets were recognized over CGUs of the Exploration & Production segment for an impact of \$(1,878) million in operating income and \$(1,798) million in net income, Group share. Impairments recognized in 2020 mainly relate to Canadian oil sands assets.

The CGUs of the Integrated Gas, Renewables & Power segment are subsidiaries or groups of subsidiaries organized by activity or geographical area, and by fields or groups of fields for upstream LNG activities. For the first half year 2020, the Group recorded impairments on CGUs in the Integrated Gas, Renewables & Power segment for \$(953) million in operating income and \$(829) million in net income, Group share. Impairments recognized in 2020 relate to assets located in Australia.

The CGUs of the Refining & Chemicals segment are defined as legal entities with operational activities for refining and petrochemicals activities. No significant impairment has been recorded for the CGUs of the Refining & Chemicals segment in the first half year 2020.

The CGUs of the Marketing & Services segment are subsidiaries or groups of subsidiaries organized by geographical area. No significant impairment has been recorded for the CGUs of the Marketing & Services segment in the first half year 2020.

In addition, in line with its new Climate Ambition announced on May 5, 2020, which aims at carbon neutrality, TOTAL has reviewed its oil assets that can be qualified as stranded, meaning with reserves beyond 20 years and high production costs, whose overall reserves may therefore not be produced by 2050. The only projects identified in this category are the Canadian oil sands projects of Fort Hills and Surmont.

For impairment calculations, TOTAL has decided to take into account only proven reserves on these two assets – unlike general practice which considers so-called proven and probable reserves. This leads to an additional exceptional asset impairment of \$(5,460) million in operating income and \$(5,474) million in net income, Group share.

Overall, asset impairments were recorded on the second quarter 2020 for an amount of \$(8,291) million in operating income and \$(8,101) million in net income, Group share, including \$(6,988) million on Canadian oil sands assets alone.

These impairments were qualified as adjustment items of the operating income and net income, Group share.

As for sensitivities of the Exploration & Production segment:

- a decrease by one point in the discount rate would have a positive impact of approximately \$0.2 billion on impairments recorded in operating income and \$0.2 billion on impairments recorded in net income, Group share;
- an increase by one point in the discount rate would have an additional negative impact of approximately \$1.5 billion on impairments recorded in operating income and \$1 billion on impairments recorded in net income, Group share;
- a variation of (10)% of the oil and gas prices over the duration of the plan would have an additional negative impact of approximately \$2.9 billion on impairments recorded this quarter in operating income and \$1.7 billion on impairments recorded in net income, Group share.

As for sensitivities of upstream LNG activities and CGUs including a material goodwill:

- a decrease by one point in the discount rate would have a positive impact of approximately \$0.6 billion on impairments recorded in operating income and \$0.5 billion on impairments recorded in net income, Group share;
- an increase by one point in the discount rate would have an additional negative impact of approximately \$0.8 billion on impairments recorded in operating income and \$0.6 billion on impairments recorded in net income, Group share;
- a variation of (10)% of the oil and gas prices over the duration of the plan would have an additional negative impact of approximately \$1.9 billion on impairments recorded this quarter in operating income and \$1.5 billion on impairments recorded in net income, Group share.

## 4) Shareholders' equity

### Treasury shares (TOTAL shares held directly by TOTAL SE)

In accordance with the shareholder return policy over 2018-2020 implemented since February 2018, the Company repurchased its own shares until the announcement of the suspension of the share buyback program on March 23, 2020, in the context of the sharp decrease in the crude oil price.

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

As of June 30, 2020, TOTAL SE directly holds 28,706,598 TOTAL shares, representing 1.10% of its share capital, which are deducted from the consolidated shareholders' equity and allocated as follows:

<b>Shares to be cancelled (1)</b>	<b>23,284,409</b>
including shares repurchased during Q4 2019	11,051,144
Including shares repurchased during Q1 2020	12,233,265
<b>Shares to be allocated as part of free share grant plans (2)</b>	<b>5,422,189</b>
including the 2017 Plan	4,356,044
including the 2018 Plan	1,001,529
including shares intended to be allocated to new share purchase options plans or to new share performance plans	64,616
<b>Total Treasury shares (1)+(2)</b>	<b>28,706,598</b>

### Dividend

The Shareholders' meeting of May 29, 2020 approved the distribution of a dividend of €2.68 per share for the 2019 fiscal year and the payment of a final dividend of €0.68 per share given the three interim dividends that had already been paid. The Board of directors of May 4, 2020 decided to offer the shareholders the option to receive the final 2019 dividend in cash or in new shares of the Company with a discount of 10%, each choice being exclusive of the other.

<b>Dividend 2019</b>	<b>First interim</b>	<b>Second interim</b>	<b>Third interim</b>	<b>Final</b>
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 <sup>st</sup> , 2019	January 8, 2020	April 1 <sup>st</sup> , 2020	July 16, 2020
<b>Option for the scrip dividend</b>				
Issue price	-	-	-	€28.80 <sup>(1)</sup>
Number of shares subscribed	-	-	-	38,063,688

<sup>(1)</sup> This price is equal to 90% of the average Euronext Paris opening prices of the TOTAL shares for the twenty trading days preceding the Shareholders' Meeting of May 29, 2020, reduced by the amount of the final dividend and rounded up to the nearest cent.

Furthermore, the Board of directors, during its July 29, 2020 meeting, set the second interim dividend for the fiscal year 2020 at €0.66 per share, equal to the first interim dividend. The ex-dividend date of this interim dividend will be on January 4, 2021 and it will be paid in cash exclusively on January 11, 2021.

<b>Dividend 2020</b>	<b>First interim</b>	<b>Second interim</b>
Amount	€0.66	€0.66
Set date	May 4, 2020	July 29, 2020
Ex-dividend date	September 25, 2020	January 4, 2021
Payment date	October 2, 2020	January 11, 2021

## 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 €(2.98) per share for the 2<sup>nd</sup> quarter 2020 (€(0.01) per share for the 1<sup>st</sup> quarter 2020 and €0.89 per share for the 2<sup>nd</sup> quarter 2019). Diluted earnings per share calculated using the same method amounted to €(2.98) per share for the 2<sup>nd</sup> quarter 2020 (€(0.01) per share for the 1<sup>st</sup> quarter 2020 and €0.89 per share for the 2<sup>nd</sup> 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:

<b>(M\$)</b>	<b>1<sup>st</sup> half 2020</b>	<b>1<sup>st</sup> half 2019</b>
Actuarial gains and losses	(223)	(59)
Change in fair value of investments in equity instruments	(74)	107
Tax effect	86	14
Currency translation adjustment generated by the parent company	(196)	(474)
<b>Sub-total items not potentially reclassifiable to profit and loss</b>	<b>(407)</b>	<b>(412)</b>
<b>Currency translation adjustment</b>	<b>(940)</b>	<b>187</b>
- unrealized gain/(loss) of the period	(907)	233
- less gain/(loss) included in net income	33	46
<b>Cash flow hedge</b>	<b>(1,293)</b>	<b>(373)</b>
- unrealized gain/(loss) of the period	(1,317)	(303)
- less gain/(loss) included in net income	(24)	70
<b>Variation of foreign currency basis spread</b>	<b>70</b>	<b>54</b>
- unrealized gain/(loss) of the period	42	25
- less gain/(loss) included in net income	(28)	(29)
<b>Share of other comprehensive income of equity affiliates, net amount</b>	<b>(927)</b>	<b>253</b>
- unrealized gain/(loss) of the period	(936)	265
- less gain/(loss) included in net income	(9)	12
<b>Other</b>	<b>3</b>	<b>2</b>
<b>Tax effect</b>	<b>367</b>	<b>107</b>
<b>Sub-total items potentially reclassifiable to profit and loss</b>	<b>(2,720)</b>	<b>230</b>
<b>Total other comprehensive income, net amount</b>	<b>(3,127)</b>	<b>(182)</b>

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

(M\$)	1 <sup>st</sup> half 2020			1 <sup>st</sup> half 2019		
	Pre-tax amount	Tax effect	Net amount	Pre-tax amount	Tax effect	Net amount
Actuarial gains and losses	(223)	56	(167)	(59)	16	(43)
Change in fair value of investments in equity instruments	(74)	30	(44)	107	(2)	105
Currency translation adjustment generated by the parent company	(196)	-	(196)	(474)	-	(474)
<b>Sub-total items not potentially reclassifiable to profit and loss</b>	<b>(493)</b>	<b>86</b>	<b>(407)</b>	<b>(426)</b>	<b>14</b>	<b>(412)</b>
Currency translation adjustment	(940)	-	(940)	187	-	187
Cash flow hedge	(1,293)	389	(904)	(373)	125	(248)
Variation of foreign currency basis spread	70	(22)	48	54	(18)	36
Share of other comprehensive income of equity affiliates, net amount	(927)	-	(927)	253	-	253
Other	3	-	3	2	-	2
<b>Sub-total items potentially reclassifiable to profit and loss</b>	<b>(3,087)</b>	<b>367</b>	<b>(2,720)</b>	<b>123</b>	<b>107</b>	<b>230</b>
<b>Total other comprehensive income</b>	<b>(3,580)</b>	<b>453</b>	<b>(3,127)</b>	<b>(303)</b>	<b>121</b>	<b>(182)</b>

## 5) Financial debt

The Group has issued bonds during the first six months of 2020:

- Bond 1.491% maturing in April 2027 (EUR 1,500 million);
- Bond 1.994% maturing in April 2032 (EUR 1,500 million);
- Bond 0.952% maturing in May 2031 (EUR 500 million);
- Bond 1.618% maturing in May 2040 (EUR 1,000 million);
- Bond 3.127% maturing in May 2050 (USD 2,500 million);
- Bond 2.986% maturing in June 2041 (USD 800 million);
- Bond 3.386% maturing in June 2060 (USD 800 million).

The Group reimbursed bonds during the first six 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);
- Bond Euribor 3 months + 31 basis points issued in 2013 and maturing in May 2020 (EUR 300 million);
- Bond 4.450% issued in 2010 and maturing in June 2020 (USD 1,250 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 six months 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**

During the second quarter, the Group faced exceptional circumstances: the COVID-19 health crisis with its impact on the global economy and the oil market crisis with Brent falling sharply to 30\$/b on average, gas prices dropping to historic lows and refining margins collapsing due to weak demand.

Oil prices strengthened since the beginning of June, reaching around 40\$/b, benefiting from strong compliance with the OPEC+ quotas and the decline of hydrocarbon production in the United States and Canada as well as a recovery in demand.

The oil environment, however, remains volatile, given the uncertainty around the extent and speed of the global economic recovery post-Covid-19.

The Group demonstrates discipline in the implementation of its 2020 action plan:

- Net investments below \$14 billion,
- Savings of \$1 billion on operating costs compared to 2019.

TOTAL will continue to profitably grow in low carbon electricity, particularly in renewables, with close to \$2 billion of investments in 2020.

In LNG, TOTAL anticipates significant deferred liftings in the third quarter and expects the decline in oil prices observed in the second quarter to have an impact on long-term LNG contract prices in the second half of the year.

Considering the implementation of the OPEC+ quotas and the situation in Libya, the Group now expects 2020 production to be between 2.9 Mboe/d and 2.95 Mboe/d, with a low point in the third quarter during the summer season. The ramp up of Iara's second FPSO in Brazil will contribute to production growth in the last part of the year. In the Downstream, high inventory levels continue to weigh on refining margins and utilization rates. In Marketing, activity in Europe returned to 90% of its pre-crisis level since June and the Group anticipates that it will remain at a comparable level in the coming months.

The Group's priority is to generate a level of cash flow that allows it to continue to invest in profitable projects, to preserve an attractive shareholder return and to maintain a strong balance sheet. To this end, the Group's teams are focused on the four priorities of HSE, operational excellence, cost reduction and cash flow generation.

### **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) Post closing events**

There was no post closing event.