

WEBCAST – CONFERENCE CALL

Second Quarter 2017 Results

July 27th, 2017



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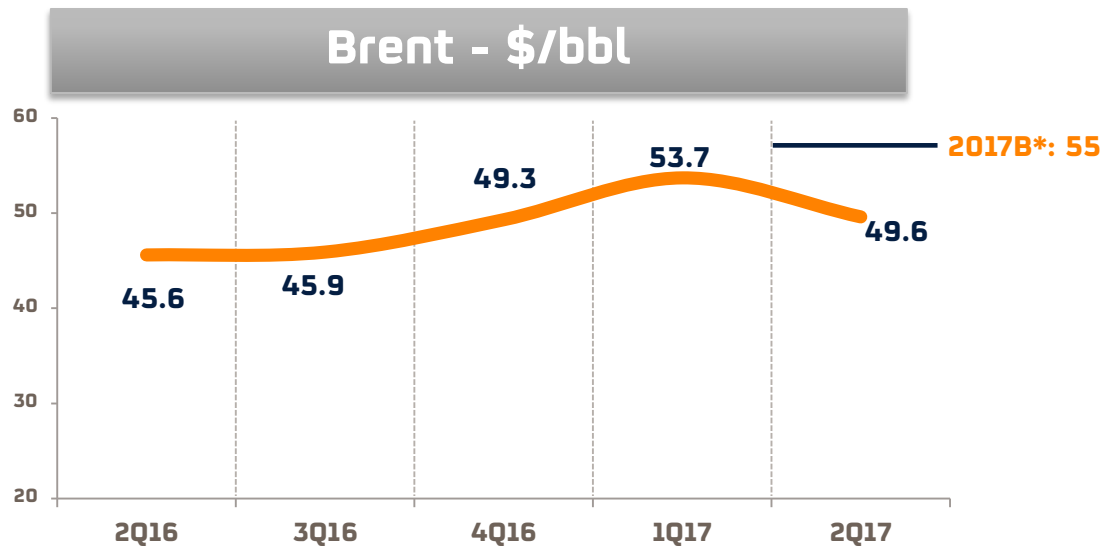
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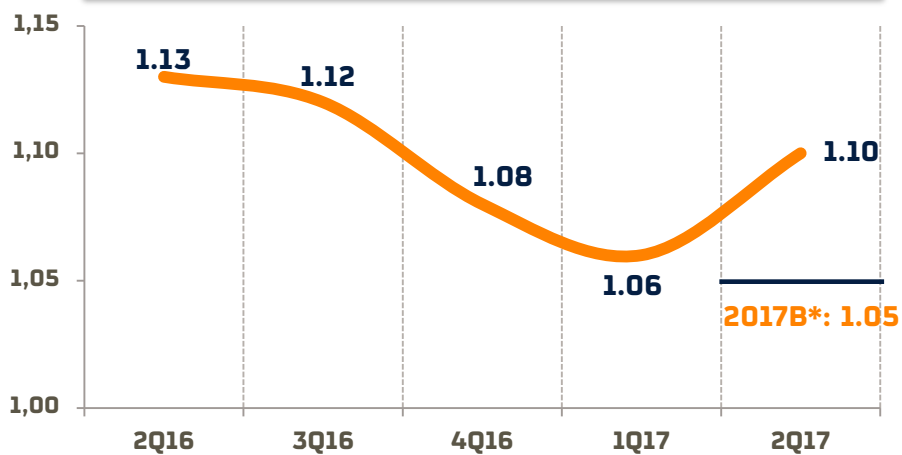
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- 1. Key messages from second quarter of 2017**
 - 2. Operational results**
 - 3. Financial results**
 - 4. Progress of key strategic objectives**
 - 5. Conclusions**
- 
- An aerial view of an offshore oil rig in the middle of the ocean. The rig is a large, complex structure with a central tower and various platforms. It is surrounded by a dark blue sea under a clear sky.

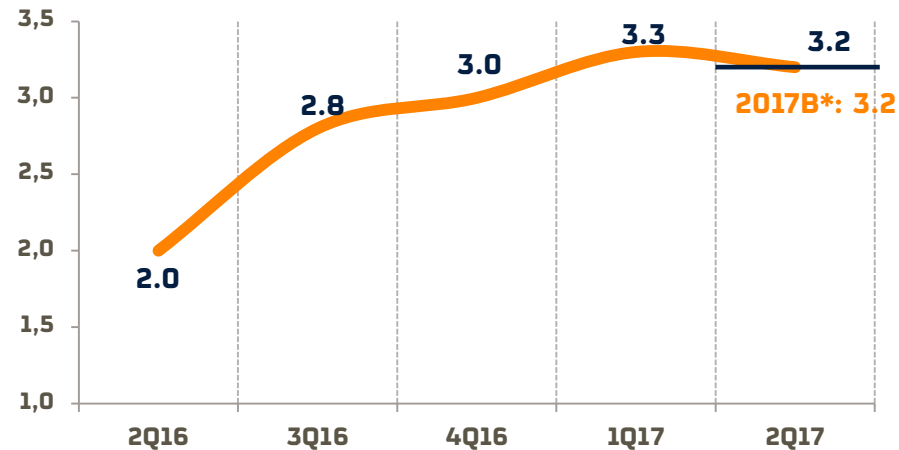
Market environment



Exchange Rate - \$/€



Henry Hub - \$/Mbtu



*Budget for 2017

Key messages from second quarter of 2017



- ✓ Focus on **delivering strategic objectives**
- ✓ **Net debt** reduced to **<€7.5Bn**
- ✓ **Efficiency** and **synergy programme** delivering lower costs

Upstream

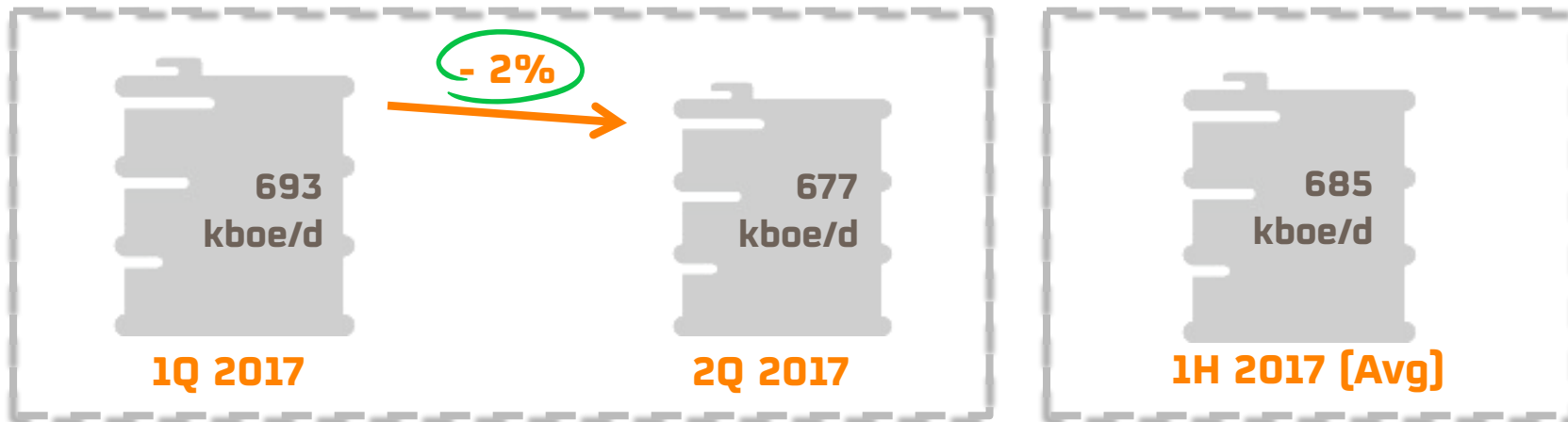
- ✓ **Production** volumes in line with guidance → **677 kboe/d**
- ✓ **Exploration program:** continued positive results

Downstream

- ✓ **Refining:** major planned maintenance for the year completed on time and on budget
- ✓ Outstanding quarter for **Chemicals**
- ✓ **Commercial businesses:** consistent delivery

Operational Activity

Upstream



[+] Higher than budgeted production in Libya

- [-]** Sale of Ogan Komering (Indonesia)
- [-]** Fluctuating gas demand in Indonesia

Development activity:

- ✓ First production from **MonArb** (UK North Sea)
- ✓ Hook-up of an additional production well at **Lapa** (Brazil) → Gross Production at **60 kboe/d**
- ✓ **Juniper** (T&T): first gas expected in 3Q17
- ✓ **Kinabalu** (Malaysia): start-up in 4Q17

Exploration program:

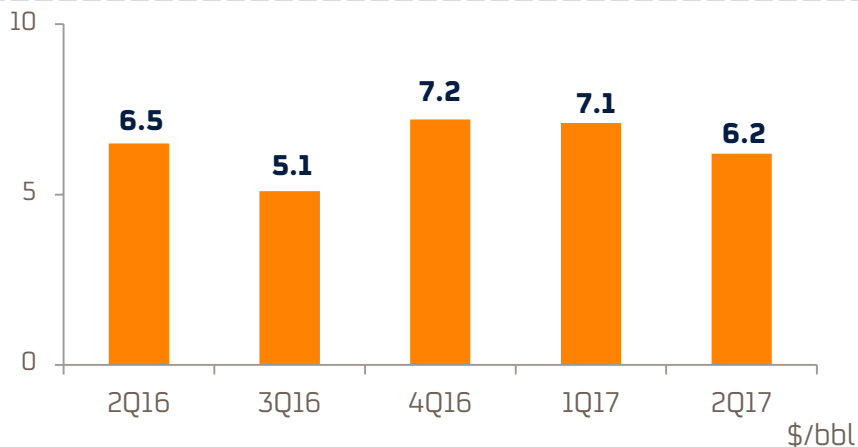
- ✓ 5 exploratory (**2 positive**) and 1 appraisal (**1 positive**) wells completed

Operational activity

Downstream



Refining Margin Indicator



Petrochemicals

- Lower Naphtha pricing
- Resilience in international prices
- EBIT >180M€ in line with record levels of 2016

Utilization rates

2Q 2017



Distillation



Conversion units

Commercial businesses

Marketing

- Higher volumes due to increasing demand in Spain and Portugal

Quarterly Results



	Q2 2017	Q2 2016	% Variation
CCS Adjusted Net Income	496	345	+ 44%
Net Income	367	205	+ 79%
EBITDA CCS	1,463	1,167	+ 25%

Million €

UPSTREAM	Q2 2017	Q2 2016	% Variation
CCS Adjusted Net Income	115	46	+ 150%

Million €

DOWNSTREAM	Q2 2017	Q2 2016	% Variation
CCS Adjusted Net Income	429	378	+ 14%

Million €

CORPORATION	Q2 2017	Q2 2016	% Variation
CCS Adjusted Net Income	-48	-79	+ 39%

Million €

Progress of key strategic objectives



	2017 Guidance	
Efficiency & Synergies [€Bn]	2.1	<ul style="list-style-type: none"> • 50% of the target achieved • 90% of 2020 synergies already captured
Group Capex [€Bn]	3.2-3.6	<ul style="list-style-type: none"> • Lower than guidance in 1H17 • Capital intensity increasing in 2H17
Production [kboe/d]	~680	<ul style="list-style-type: none"> • Potential to go above guidance depending on Libya • 2H17: Start-up Kinabalu (Malaysia) and Juniper (T&T) • Sagari and Reggane start-up end 2017/early 2018
Refining Margin Indicator [\$/bbl]	6.4	<ul style="list-style-type: none"> • Margins strengthening into 2H17
Net Debt [€Bn]	< 7.0	<ul style="list-style-type: none"> • S&P upgrade to positive outlook • Targeting BBB stable from each rating agencies

Conclusions - delivering strategic objectives



✓ UPSTREAM

- **Cost efficiency, project management** and **portfolio optimization**
- On track to deliver average production of **680 kboe/d**
- Optimization of **capital investment**

✓ DOWNSTREAM

- Completion of planned refinery maintenance → Improve **utilization** and **conversion factors** → Generation of **significant premium** to margin indicator in 2H17

✓ CORPORATION

- **Synergy and efficiency**: on track to deliver **€2.1Bn** in savings
- Secure a **BBB stable** rating
- Lower Group's FCF breakeven to **40\$/bbl**

Q&A Session

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