TOTAL

2014

TOTAL E&P NORGE AS
ANNUAL REPORT

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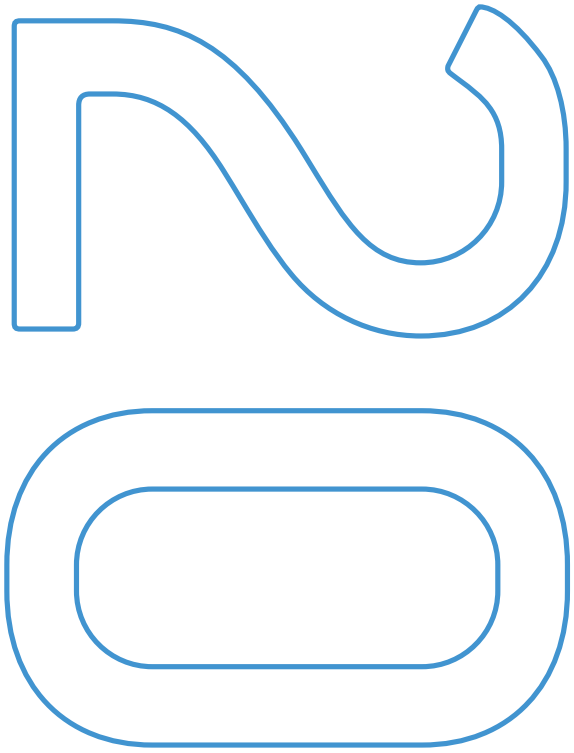
TOTAL E&P IS INVOLVED IN EXPLORATION AND PRODUCTION O F OIL AND GAS ON THE NORWEGIAN CONTINENTAL SHELF, AND PRODUCED ON AVERAGE

242 000

BARRELS OF OIL EQUIVALENTS EVERY DAY IN 2014.

BETTER TOGETHER IN CHALLENGING TIMES

Total E&P Norge holds a strong position in Norway. The Company has been present since 1965 and will mark its 50th anniversary in 2015.



TOTAL E&P NORGE AS
ANNUAL REPORT

TOTAL REVENUES MILLION NOK

42 624

OPERATING PROFIT MILLION NOK

22 323

PRODUCTION (NET AVERAGE DAILY PRODUCTION) **THOUSAND BOE**

242

RESERVES OF OIL AND GAS (PROVED DEVELOPED AND UNDEVELOPED RESERVES AT 31.12) **MILLION BOE**

958

EMPLOYEES (AVERAGE NUMBER DURING 2013)

424

KEY FIGURES

MILLION NOK	2014	2013	2012
INCOME STATEMENT			
Total revenues	**42 624**	45 007	51 109
Operating profit	**22 323**	24 017	33 196
Financial income/(expenses) – net	**(364)**	(350)	(358)
Net income before taxes	**21 959**	23 667	32 838
Taxes on income	**14 529**	16 889	23 417
Net income	**7 431**	6 778	9 421
Cash flow from operations	**17 038**	15 894	17 093
BALANCE SHEET			
Intangible assets	**2 326**	2 548	2 813
Investments, property, plant and equipment	**76 002**	67 105	57 126
Current assets	**7 814**	10 506	10 027
Total equity	**15 032**	13 782	6 848
Long-term provisions	**31 884**	29 275	27 571
Long-term liabilities	**26 782**	23 513	10 473
Current liabilities	**12 444**	13 588	25 074

OTHER KEY FIGURES			
Acquisition of property, plant and equipment	**(16 902)**	(16 806)	16 202
Exploration activity, costs and investments	**1 237**	1 363	1 433
Rate of return on capital employed*	**30.1 %**	33.7 %	58.3 %
Production cost USD/BBL	**9.2**	9.3	9.0
Transport cost USD/BBL	**5.3**	5.0	4.4
PRODUCTION THOUSAND BOE			
Net average daily production	**242**	242	275
RESERVES OF OIL AND GAS MILLION BOE			
Proved developed and undeveloped reserves at 31.12	**958**	1 030	1 083
EMPLOYEES			
Average number of employees	**424**	356	322

* Net income plus financial expenses after tax as a percentage of capital employed at 1 January. Capital employeed consists of total equity and liabilities less non-interest carrying debt.

Installation of the Martin Linge jacket June 2014

BETTER TOGETHER IN CHALLENGING TIMES

Total E&P Norge holds a strong position in Norway. The Company has been present since 1965 and will mark its 50th anniversary in 2015. The anniversary is also shared with the authorities who announced the first licensing round in 1965, as well as other players who took part in the very beginning of the Norwegian oil and gas adventure.

This milestone is also a timely reminder of the long-term perspective of our business. Oil and gas will continue to be an important source of value creation in Norway for decades to come. Total is in it for the long-term in Norway. We continue to explore Norwegian waters while we are in the development phase of the Martin Linge field in the North Sea.

AS WE FACE HIGHER ACTIVITY AS OPERATOR, we set ourselves challenging objectives and devote considerable effort to ensure we have the expertise, standards and behaviours we need in our workforce and among our contractors.

Putting safety first is crucial to protection of our people and the environment we operate in. Total's policy focuses on workplace safety and technological risk management. We must fulfil both our own and our stakeholders' expectations in terms of safe operations. I am very satisfied to note that, in 2014, we recorded more than 5 million manhours in the Martin Linge project with a good safety record and no serious accidents.

DURING THE PAST DECADE, Total has increased the number of exploration and appraisal wells and strengthened our portfolio. Our drilling efforts as operator and partner have resulted in several interesting discoveries. History has taught us that persistence is required when we work to unlock new resources and put new oil and and gas fields into production.

As a result of the Awards in Predefined Areas 2014, the Company secured five new operatorships and four participating interests. By the end of 2014, Total E&P Norge operated 34 licences in addition to holding a participating interest in 69 licences. Our oil and gas production comes from 24 different fields.

TWO POSITIVE WELL RESULTS were achieved in 2014; the Trell exploration discovery near Heimdal and the successful appraisal of the Garantiana discovery west of Florø. Further evaluation is necessary to determine the future of these discoveries.

Total continues to evaluate new acreage offered. We are currently studying the areas offered in the 23rd Licencing Round, including the acreage offered in the Barents Sea South East, for a possible licence application in December 2015.

THE MARTIN LINGE FIELD DEVELOPMENT achieved several milestones in 2014, including:

- Successful installation of the steel jacket on the field in June.
- Start-up of production well drilling in August with the brand new drilling rig Maersk Intrepid.
- Completed installation and commissioning of the Gas Export Pipeline from Martin Linge to the FUKA gas network in UK waters.
- Construction of the Kollsnes power supply facilities progressed as per plan, with all equipment now installed.
- Fabrication of the 163-km long AC power and communication cable, the world's longest of its kind, which will be installed in 2015.

However, topsides engineering and procurement are experiencing delays, which impacts topsides construction progress. The completed hook-up and commissioning modules may arrive in Norway later than scheduled. Total is working diligently with the contractors to obtain a full overview of the topsides challenges and the way forward.

OUR NON-OPERATED ACTIVITY remains very important for our production output. Eldfisk II joined Ekofisk South as the second major start-up since 2013 in the Greater Ekofisk Area. Total as partner was pleased to see that the field development operated by ConocoPhillips was delivered on budget and started production on 3 January 2015.

Another milestone was the start-up of permanent Low Pressure Production on the Statoil-operated Kristin field on Haltenbanken in 2014, resulting in higher production. The successful pilot testing of the Åsgard Subsea Compression project, also operated by Statoil, leads the project towards a planned start-up in 2015.

THE INDUSTRY WITNESSED A DRAMATIC DROP in the price of oil during 2014, with subsequent effect on the gas markets. This came on top of the relentless cost inflation in recent years, affecting both operating costs and new investments.

Even before the drop in oil prices, Total had started to reduce costs and find more efficient ways of working. In this very challenging industry environment, Total continues to focus on sustainable cost and efficiency improvements.

We need to adapt to a new situation. We continue to work on the challenges we are facing jointly with our Total exploration and production colleagues worldwide under the program "Better together". We are seeking improvements which make us both safer and more profitable.

I appreciate that other oil and gas companies, suppliers and authorities are also addressing the same challenges. I am confident that we will find sustainable ways to deliver results. We are capable of unlocking the values from the Norwegian Continental Shelf for decades to come.

Isabelle Gaildraud
Managing Director
Total E&P Norge AS

Shirwac Hersi is night drilling supervisor on Maersk Intrepid

THE BOARD OF DIRECTORS' REPORT

1 INTRODUCTION

TOTAL E&P NORGE AS (Total E&P Norge), a wholly-owned subsidiary of the France-based TOTAL Group, is engaged in exploration for and production of hydrocarbons on the Norwegian Continental Shelf. The Board of Directors' report and the accounts have been prepared based on the Company's continuity as a going concern, and in the opinion of the Board of Directors this is justified.

2014 has been a very active year for Total E&P Norge. We have continued to build on our platform of long-term presence and knowledge of the Norwegian Continental Shelf. As regards health, safety and the environment (HSE), Total E&P Norge met its main objectives for 2014, with no fatal or serious accidents. There were two Lost Time Injuries.
As an operator, we:

- Successfully installed the jacket and started production drilling on the Martin Linge field on schedule.
- Completed installation and commissioning of the Gas Export Pipeline from Martin Linge to the FUKA gas network in UK waters. The export line is ready to receive gas at production start-up.
- Successfully completed drilling of the Trell exploration prospect near Heimdal, as well as appraisal and testing of the Garantiana oil discovery in the North Sea, both with positive results.
- Submitted applications in the Awards in Predefined Areas 2014, which resulted in the award of five new operated licences and four as partner in February 2015. The licences are located in the Norwegian Sea and North Sea.

As a partner, the main events included

- Installation of the Eldfisk II Project topsides at the Eldfisk Complex with first oil 3 January 2015. The project was on budget.
- Start-up of permanent Low Pressure Production on Kristin, which will mean increasing production.
- Successful completion of subsea compressor pilot testing at Åsgard, leading the subsea compression project towards a planned start-up in 2015.

In 2014, the average daily production was 242 thousand barrels of oil equivalents (kboe) per day.

The considerable work and effort by our staff within the existing perimeter of activity, together with awards in the licensing rounds, confirm the Company's dedication to and strength on the Norwegian Continental Shelf.

2 HSE PERFORMANCE, OPERATED ACTIVITY IN 2014

The Company met its main objective, avoiding any fatal or serious accidents in 2014.

There were two Lost Time Injuries (LTIs) during the year. A person slipped on a wet floor in the canteen of an engineering company in Paris, causing a leg fracture. The other injury was on a drilling rig. During cleaning of a screw conveyor for transport of drill cuttings, a person suffered a cut and 2 fractures in the wrist. The Lost Time Injury Frequency recorded in 2014 was 0.67, which was below the target of less than 0.9. One Restricted Work Day case was recorded. The Total Recordable Injury Rate (TRIR) for the year was 1.01. This is acceptable, bearing in mind that the target for the year was a TRIR below 1.8 and 2014 has been a year with significantly higher industrial work activity than the previous years.

Total E&P Norge's annual HSE programme for 2014 included several activities to improve the HSE standard in operated activities. 95% of this programme was fulfilled, in line with the objective for the year.

The Emergency Organisation onshore has been upgraded with more personnel on duty and a new reporting system that helps us handle the situation of continuous platform operations offshore.

A new HSE culture programme has started and will run for more than two years. The programme includes both employees and contractor personnel, both onshore and offshore. 600 people have participated in a baseline survey for the project, which has the objective of excellent risk management in our operations.

A total of 5 internal audits and 16 external audits, as well as 10 verifications, were performed during 2014. The HSE Management System for Total E&P Norge has been revised in line with the TOTAL Group's Directive and Company Rule. Recommendations from the last audit of the system have also been used to improve the HSE Management System.

In 2014, five management inspections were performed on drilling rigs, marine vessels and work sites, which added to a high HSE promotion activity.

Various health and lifestyle campaigns have been carried out during the year. A screening campaign related to early detection of colon and prostate cancer was performed amongst employees aged 50+. A campaign promoting physical training was organised from March through August. 190 employees logged their training. During the fall of 2014, 206 employees participated in a biyearly campaign assessing individual health risk related to cardiovascular illness, diabetes and lifestyle.

Absence due to illness in the Company was 2.1 %, compared to 2.3 % in 2013. The total absence (employees' illness + leave due to own children's illness) was 2.5 %.

The Company has a Rehabilitation Committee that is responsible for providing relevant assistance to employees suffering from long-term illness.

3 ACTIVITIES ON THE NORWEGIAN CONTINENTAL SHELF

LICENCE PORTFOLIO MANAGEMENT

In line with the TOTAL Group's strategy of active portfolio management, 2014 has been an active year for portfolio activities in Total E&P Norge.

The major transaction was a sale of assets to the Polish oil company PGNiG Upstream International (PGNiG). The deal was signed on 29 September 2014 and completed in December, with an effective date of 1 January 2014. The transaction involved the assignment of an 8% interest in the Gina Krog field, together with interests in the Vilje (24.243%), Vale (24.243%) and Morvin (6%) fields. Following the transaction, Total E&P Norge retains a 30% interest in Gina Krog.

The agreement with Ithaca Petroleum Norge AS from December 2013 concerning the assignment of a 10% share in the Trell prospect in PL102F and PL102G was completed in February 2014.

In September 2013, the Company signed an agreement with Concedo ASA to acquire a 20% share of a carved-out part of PL607. The transaction was completed at the end of June 2014.

In parallel, an agreement was reached in February 2014 for the assignment of an additional 20% share in the PL607 license from GDF SUEZ to Total E&P Norge. This transaction was completed at the end of June 2014.

ON MARTIN LINGE 2014 HAS BEEN A YEAR WITH ROBUST CONSTRUCTION AND INSTALLATION ACTIVITIES. THE PROJECT HAS NOW EXECUTED MORE THAN 5 MILLION MAN-HOURS, WITH A HIGHLY SATISFACTORY SAFETY RECORD OVERALL.

LICENSING ROUNDS

Following submission of the Company's application for Awards in Predefined Areas (APA 2013) in February 2014, Total E&P Norge was awarded two operatorships: PL554C (40% interest) located in block 34/5 in the northern part of the North Sea to the west of Garantiana (PL554, Total E&P Norge operator), and PL760 (50% interest) located in blocks 6507/11 and 6507/12 northwest of Alve Nord (PL127, Total E&P Norge operator) in the Norwegian Sea. The Company was also awarded participation in two North Sea licences, as partner; 22.2% in PL333B (Statoil operator) and 15% in PL044B (ConocoPhillips operator).

The Company also submitted an extensive application in APA 2014 in September 2014. On 25 February 2015, Total E&P Norge was awarded five operatorships - in the Norwegian Sea: PL127B (50% interest) in block 6607/12, PL760B (40% interest) in block 6607/12 and PL795 (40% interest) in blocks 6406/7, 8, 10 and 11. In the North Sea - PL785S (60%) in blocks 26/2 and 31/11 (all levels below base Cretaceous) and PL627B (40% interest) located in block 25/6. In addition, the Company was awarded interests, all in the North Sea, as partner in PL044C (15% interest) in block 1/9, PL046E (10%) in block 15/8, PL676BS (20%) in blocks 25/7 and 10 (all levels above base Cretaceous) and PL 772 (50%) in blocks 2/1 and 2.

On 20 January 2015, the MPE announced the 23rd Licensing Round involving 57 blocks or parts of blocks, including 34 blocks in the Barents Sea South East (the formerly disputed area towards Russia). The application deadline is set at 2nd December 2015, with awards expected in the first half of 2016. The Company has purchased seismic data pertaining to the area for the evaluation of a possible application for licenses.

PORTFOLIO

The overall result following the 2014 portfolio optimisation and the awards in the APA 2014 is:
Participation in 103 licences, 34 as Operator
Participation in 24 producing fields.

EXPLORATION

DRILLING

OPERATED

Total E&P Norge was the operator of one exploration and one appraisal/exploration well in 2014.

Drilling of exploration well 25/5-9 on the Trell prospect, located in the Heimdal area of the North Sea, was undertaken at the end of 2013 / beginning of 2014. The well encountered in the Paleocene target oil in sands with good reservoir quality. Further evaluation of the Trell discovery, with preliminary estimated size between 3.1 and 12.5 million barrels of recoverable oil, is necessary in order to identify a possible development solution.

Appraisal of the 2012 Garantiana oil discovery in PL554 took place by means of well 34/6-3 S in the period June to September 2014. The well proved a Lower Jurassic oil column in line with the results of the first well on the structure. Following the appraisal, an exploration sidetrack, 34/6-3 A, was drilled in September and October into the Akkar prospect to prove the up dip potential of an earlier dry well. A small oil accumulation was found in the secondary objective whereas the main objective, the Lower Jurassic Statfjord Formation was water-bearing. Further evaluation is necessary to determine the future of the two discoveries.

OPERATED BY OTHERS

In 2014, Total E&P Norge participated in the drilling of two exploration wells, both operated by Statoil.

In PL120, well 34/8-17 S was drilled as an exploration branch of the Rhea development well to test the Helene/Methone prospect, targeting oil in the Lower Jurassic Statfjord and Lunde Formations. The well encountered gas in the secondary objective, the Brent Group, whereas the main objectives were water-bearing. No decision has been taken on when the gas will be produced, due to gas capacity limitations on Visund.

Well 2/4-22 in PL146 on the Romeo prospect in the vicinity of the 2012 King Lear discovery was spudded in September 2014 to prove hydrocarbons in Permian and Late Jurassic sandstones. Work on the well was still ongoing at year-end.

HIGHLIGHTS - DEVELOPMENT PROJECTS, EVALUATIONS AND OPERATIONS

OPERATED

MARTIN LINGE

2014 has been a year with robust construction and installation activities. The project has now executed more than 5 million man-hours, with a highly satisfactory safety record overall.

The jacket was completed, delivered and installed at the offshore site in June, allowing the drilling campaign to start on time.

The installation and tie-in of the 24" Gas Export Pipeline from Martin Linge to the FUKA gas network at TP1 location in UK waters was completed during the summer. The export line has been fully commissioned and is ready to receive gas at production start-up.

Fabrication of the 163-km long AC electric cable is almost complete and will be ready for installation in the spring of 2015. Construction of the Kollsnes power supply facilities has progressed as per plan, with all equipment now installed. Commissioning of the facilities is ongoing and they will be ready to supply the electric cable with power from shore for test purposes during the laying operation in 2015.

Topside engineering and procurement have been somewhat delayed and the arrival of the topside modules in Norway will be a bit later than originally scheduled in 2016. However, construction has started both in Sweden and Korea and equipment is under fabrication with deliveries starting in early 2015.

The FSO contract is progressing with engineering and procurement ongoing and the planned delivery dates are still valid.

ATLA AND SKIRNE

The fields, with gas and condensate evacuation via the Statoil-operated Heimdal field centre have produced in commingled mode thru 2014. The production has however been below budget due to a two months full production stop caused by a full turnaround at the Heimdal field.

Atla is estimated to cease production during second half of 2015.

OPERATED BY OTHERS

STATOIL BARENTS SEA

As regards the Snøhvit LNG facilities, plant performance has been good with better uptime than the prognosis. A planned shutdown was carried out in 2Q 2014 and the urgent remedies from the Snøhvit improvement project have been implemented.

STATOIL NORWEGIAN SEA

On Åsgard, testing of the subsea compressor pilot was completed and the subsea compression project continued during 2014 towards a planned start-up in 2015.

The permanent Low Pressure Production on Kristin started in July 2014, which will mean increasing production.

On Tyrihans, production from one infill well started in July 2014.

STATOIL, DET NORSKE AND CENTRICA NORTH SEA

Drilling of the remaining wells on the Visund Sør and Nord templates was completed in 2014. The last of these wells, Rhea, will be put into production in early 2015. The production from Visund Nord was temporarily shut down in December 2014 due to vibration in the topsides inlet arrangement on the Visund platform. Repair work is ongoing and production is expected to resume in February 2015.

The compressor project on Kvitebjørn started up in September 2014 after experiencing some delays. Following completion of the compressor, the Kvitebjørn Øst appraisal well was spudded in December.

On the Heimdal field, there has been no production from the gas wells in 2014. A modular drilling rig for the permanent plugging and abandonment of the wells was successfully installed and the initial phase of the plugging operations has started. Production from the connected fields (Atla, Skirne, Vale and Huldra) was severely affected during the period from May to end June. The reason for this was an unexpected prolongation of a planned extensive turnaround on the Heimdal field that started in April, as well as follow-on effects of the dewatering of the Huldra pipe and shutdown in the Brae and Forties condensate export system.

On Huldra, tail-end production was extended to September 2014. This was made possible due to postponement of the tie-in of Valemon rich gas to the export pipeline. This, in turn, led to reduction of the resources left in the ground for the Huldra field. A sales and purchase agreement for reuse of the Huldra topsides on the Tommeliten Alpha field in the Ekofisk area was signed in late December 2014.

The Vilje field has been producing according to plan and production from the Vilje Sør well started in April.

All wells on the Glitne field, which ceased production in early 2013, were permanently plugged and abandoned in 2014. The remaining equipment on the seabed will be removed in 2015.

On Gina Krog, the development project continued during 2014 towards a planned start-up in 2017. Construction is ongoing on all major elements of the development.

On Oseberg, first production from the Delta phase 2 development project is expected in 1Q 2015. A project to ensure further drilling on Oseberg Øst was approved in 2Q 2014 and is proceeding towards drilling start-up in 2015. The Oseberg B drilling rig upgrade was finished and drilling started in 2Q 2014. Construction of a new jack-up rig (Cat J) owned by the licence is ongoing.

On Troll, the drilling of infill wells has continued with four rigs during 2014. The main project investments have been related to the pre-compressor 3 and 4 project with planned start-up in October 2015.

CONOCOPHILLIPS GREATER EKOFISK AREA

In 2014, production from the Greater Ekofisk Area was slightly above budget, mainly due to good Ekofisk performance, early start-up of the 2/4 Z wells, extended well life and successful well interventions on Embla, not anticipated in the budget.

Five parallel drilling operation activities are ongoing from 2 platform drilling rigs and 3 contracted jack-up drilling rigs.

A 3.5 year program to permanently plug and abandon the 23 wells on the 2/4 A platform using a 6th contracted drilling rig started in October 2014.

The Ekofisk Accommodation & Field Services Centre (2/4 L) installed in 2013, was handed over to Operations on budget in April 2014.

The Eldfisk II Project (2/7 S) topsides (fabricated at Kvaerner Stord) were installed at the Eldfisk Complex in May 2014 with first oil on 3 January 2015. The project was on budget and will further increase oil recovery on the Eldfisk field. The production capacity is 70,000 barrels of oil equivalent per day (100%). Pre-drilling of 4 producers was completed in May 2014, and operations for the main drilling program started in October 2014.

Existing water and gas handling capacities at Ekofisk are forecasted to become increasingly constrained. To eliminate back-out production by providing de-bottlenecking mitigations, the licensees approved the Ekofisk Capacity Project in October 2014.

An opportunity to develop the Tommeliten Alpha discovery by re-using the Huldra field topside (ceased production September 2014) has been studied. In December 2014, a decision was made to proceed into the FEED phase subject to further project definition and optimization.

4 FINANCIAL HIGHLIGHTS

3.1 COMMENTS ON THE INCOME STATEMENT

PRODUCTION VOLUMES

In 2014 the average daily quantities produced were 242 thousand barrels of oil equivalents (kboe) per day. 44% of the yearly production came from gas production, equivalent to an average of 16.3 million standard cubic meters per day.

This overall production level was similar to the one reached in 2013, and marked by a good performance on Tyrihans, Åsgard and Ekofisk area partly offset by Oseberg lifting issues.

In 2014, the 39.9% interest in PL018 Ekofisk area remained the largest contributor in production terms, the equivalent of 32.6% of the Company's overall production.

IN 2014, THE AVERAGE DAILY QUANTITIES PRODUCED WERE 242 THOUSAND BARRELS OF OIL EQUIVALENTS PER DAY. 44% OF THE YEARLY PRODUCTION CAME FROM GAS PRODUCTION, EQUIVALENT TO AN AVERAGE OF 16.3 MILLION STANDARD CUBIC METERS PER DAY.

REVENUES

In 2014, revenues were Norwegian Kroner (NOK) 42 624 million compared with NOK 45 007 million for 2013, down 5.3%.

Crude oil and gas sales were NOK 40 622 million compared to NOK 44 260 million in 2013 and this decrease was mainly due to reduced average oil and gas prices. The average price achieved for oil and condensates was US dollar (USD) 98.95 per barrel, lower than the USD 110 per barrel average

price achieved in 2013. Revenues from oil and other liquids were NOK 28 324 million compared to NOK 31 067 million in 2013. Booked gas revenues reached NOK 12 298 million, down from NOK 13 193 million in 2013, due to lower gas volumes sold and reduced sale prices on all categories of contracts.

The yearly average price of gas delivered by the Company (including LNG) decreased compared to 2013. Price for spot gas sales showed a downwards trend compared to 2013 and prices for gas delivered through long-term sales agreements were affected by reduced oil and gas hub references prices. Overall on 2014, despite a substantial volatility of the NOK rates during the year, the Company's revenues and income were globally positively impacted by the evolution of the NOK/USD. The Company's accounts are denominated in NOK whilst all liquids sales are invoiced in USD and gas sales predominantly are invoiced in Euros (EUR), Pound sterling or USD. The average exchange rate for NOK/USD was 6.29 up 6.5% compared to 5.88 in 2013. The average NOK/EUR exchange rate was 8.35 up 6.5% compared to 7.81 in 2013.

In 2014, the amount shown as other income includes gains on sales of assets, insurance claim settlements and other income attached to arrangements between licenses. The main contribution to this amount comes from the disposal of Total E&P Norge's full participating interest in Vale, Vilje and Morvin and of 8% interest in Gina Krog field to PGNiG Upstream International AS with closing date on 30 December 2014 (and legal and fiscal effective date on 1st January 2014). The disposal contributed to a positive net after tax income of approx. NOK 1 Billion. In 2013, the amount recognized in sundry income integrated several individually minor transactions and settlements.

FIXED ASSETS AFTER DEPRECIATION AND AMORTISATION HAVE INCREASED TO NOK 78 328 MILLION COMPARED TO NOK 69 653 MILLION IN 2013.

OPERATING EXPENSES

After deduction of charges to partners, net operating costs were down 3.3% at NOK 20 301 million compared to NOK 20 990 million in 2013. This decrease is mainly linked to one off events: the change from defined benefit to defined contribution pension scheme led to a reduction of the employee benefits booked and a revision of the scope of work on some transportation assets has reduced the charge for dismantlement. The reduction of depreciation charges is due to the particularly high level of depreciation registered in 2013 with the cost of exploration and appraisal drilling expenditures on Onyx South and Norvarg being charged to expenses in 2013.

NET INCOME

The pre-tax profit for 2014 was NOK 21 959 million compared to NOK 23 667 million in 2013.

After taking into account current and deferred taxes of NOK 14 529 million, the net profit of the year was NOK 7 431 million in 2014 compared to NOK 6 778 million in 2013.

4.2 COMMENTS ON THE STATEMENT OF CASH FLOWS

CASH FLOWS

Cash flow from operations was NOK 17038 million compared to NOK 15 894 million in 2013. After working capital variation, the net cash flow provided by operating activities was NOK 14 566 million, up 15% compared to NOK 12 598 million in 2013.

INVESTMENTS

Investments totalled NOK 16 902 million (including exploration, appraisal and acquisitions) which is very close to the NOK 16 806 million spent in 2013. This is due to intensive development expenditures on both operated and non operated projects, a significant exploration effort and some minor acquisitions of new interests.

The largest development investments were linked to facilities and drilling for the Ekofisk Area (in particular the new projects related to Ekofisk South and Eldfisk II which ultimately started its production in January 2015), engineering, procurement and construction and start of installation of the Martin Linge development project and several development expenditures on Oseberg and in the Sleipner area. In addition, Total E&P Norge incurred a NOK 1237 million exploration effort in 2014 compared to 1 363 million in 2013.

SALES OF ASSETS

Total E&P Norge's main disposal for 2014 is the sale of 100% of Total E&P Norge's participating interest in Vale, Vilje and Morvin and of 8% in Gina Krog unit to PGNiG Upstream International AS with closing date on 30 December 2014 (and legal and fiscal effective date on 1st January 2014). The disposal contributed to a positive net after tax income of approx. NOK 1 Billion.

FINANCING

All funding requirements for the year were met from internal group resources. At year-end 2014, loans and overdraft facilities were in place with an affiliated company for NOK 31 000 million. The actual cash flow needs have led to increased drawings of NOK 3 000 million and to a long term borrowing position at year end of NOK 25 000 million from associated companies.

4.3 COMMENTS ON THE BALANCE SHEET

FIXED ASSETS

Total fixed assets after depreciation and amortisation have increased to NOK 78 328 million compared to NOK 69 653 million in 2013. Total E&P Norge has increased its assets in progress as a consequence of its substantial exploration and development program. The producing assets after depreciation are stable at NOK 49 773 million after the start up of Ekofisk South facilities and Ekofisk Living quarters in the last quarter of 2013.

CURRENT ASSETS

Total current assets are at NOK 7 814 million, down 26% compared to the NOK 10 506 million booked at the end of 2013. This is related to a partial reduction of the underlift position, a decrease in the receivable position as well as a lower cash and cash equivalents closing date position.

EQUITY AND LIABILITIES

Total equity has increased in 2014 by NOK 4 250 million up to NOK 18 032 million before proposed dividend distribution for 2014. This variation is composed of the additional NOK 3 000 million dividend on the income 2013 paid out at the end of 2014, the NOK 7 431 million of net result for the year 2014 and a negative effect in the other comprehensive income of NOK 181 million (change over the year of actuarial assumptions for pension obligations, in particular the use of the K2013FT mortality tables).

Total long term provisions are increasing to NOK 31 884 million compared to NOK 29 275 million principally because of the increased deferred tax position. After the change in pension scheme of Total E&P Norge and the inclusion of updated actuarial assumptions, the pension obligations are globally increasing compared to 2013.

Total liabilities (after proposed dividend of NOK 3 000 million) have increased in 2014 by NOK 4 733 million to NOK 71 110 million, mainly due to the increase in financial long term liabilities and long term provisions partially dampened by the reduction of its tax payable position

PROPOSED DIVIDEND

Taking into account the current and forecasted income and cash flow evolution of

the company for the coming year, it is at this stage recommended to distribute an amount of NOK 3 000 million. The increased shareholders' equity together with the continuation of the funding support provided by the shareholder and other related affiliates and external financing capacity of the company is ensuring a sound equity and liquidity for the company.

4.4 COMMENTS ON THE FINANCIAL RISKS

MARKET RISK

The Company is exposed to changes in currency exchange rates, in particular USD and EUR, as the Company's revenues are largely in these two currencies, and to changes in oil and gas prices. The Company hedges the exposure on recognised crude oil sales in foreign currencies and on a significant portion of its gas sales. Some EPC contracts have been hedged into NOK but some capital expenditures and operating costs are incurred in other currencies than NOK, mainly in USD.

The Company is also exposed to changes in interest rate levels, as the Company's debt is subject to floating interest rates' evolution.

CREDIT RISK

Risk associated with the inability of counterparties to fulfil their obligations is considered low, as the Company's sales are mainly to group companies and other large corporations. The Company has not realised losses on receivables in previous years.

LIQUIDITY RISK

The Company's liquidity is considered satisfactory. It is anticipated that the Company will be able to fund its future cash requirements through cash-flows from operations and loans within the TOTAL Group and with external financial institutions.

4.5 REPORT ON PAYMENTS TO AUTHORITIES

According to the Accounting Act Section 3-3d, the company shall issue a yearly report detailing payments made to the authorities. The 2014 report is available on the Company's website, www.total.no.

5 EMPLOYEES AND ORGANISATION

At the end of 2014, the total number of staff employed by the Company was 470. This figure includes 364 local employees, 81 expatriated staff and 3 integrated contactors in the Total E&P Norge organisation. The total figure also includes 22 employees assigned abroad or to partners in Norway.

DIVERSITY AND INTERNATIONALISATION HAVE BEEN PRIORITY AREAS FOR SEVERAL YEARS AND ARE PART OF OUR LONG-TERM STRATEGY.

Total E&P Norge is a growing international organisation. At year-end, 28 different nationalities were represented in the organization. Diversity and internationalisation have been priority areas for several years and are part of our long-term strategy. Our local staff includes a total of 127 women, representing 35% of the work force. We are constantly striving to increase the number of women, especially within technical positions. 27% of the senior level employees are women.

In 2014, 64 new employees started in the Company, the majority within Operations preparing for Martin Linge to come on stream. The geosciences, business and support parts of the organisation were also reinforced. Six different nationalities are represented among the new employees, with 20% women and an average age of 37, adding to the Company's diversity.

Eight people work part-time for the Company, all women. All remaining staff are in full-time positions.

41% of the local employees are union members belonging to TEKNA or Industri-Energi Lokal 268.

Total E&P Norge is a member of Norsk olje og gass, the Norwegian Oil and Gas Association, which is affiliated with NHO, the Confederation of Norwegian Enterprise.

6 APPLIED RESEARCH

The R&D centre in Total E&P Norge is the largest of six international R&D centres outside France within the Exploration & Production (E&P) branch of the TOTAL Group. All of these centres are part of an integrated research strategy. Total E&P Norge's R&D objectives focus on challenges associated with the Norwegian Continental Shelf, covering three technical domains: subsurface including drilling and well technology, production and environment. The TOTAL Group provides access to the substantial research undertaken in France and elsewhere.

The Norwegian Petroleum Directorate operates FORCE, a forum for reservoir characterisation, reservoir engineering and exploration technology co-operation. Total E&P Norge contributes in specialised subcommittees in FORCE.

The Research Council of Norway runs two major R&D programmes aligned with the OG21 priorities: PETROMAKS, covering basic research, and DEMO2000, covering development and demonstration. Total E&P Norge takes an active role in both programmes, providing technical expertise, pilot testing opportunities and financial support for projects.

In addition to participation in research projects – usually within a joint industry project format – the Company participates in the training of young professionals coming from both French and Norwegian universities. Through R&D co-operation with the Norwegian universities, Total E&P Norge financed and provided professional contributions to the supervision of four students' PhD projects in 2014.

7 ENVIRONMENTAL ACCOUNTS AND IMPACT

The objective of no harmful impact on the marine environment was achieved for both the Trell and the Garantiana 2 exploration and appraisal wells.

One oil spill subject to the mandatory Petroleum Safety Authority Norway notification was recorded in 2014 on the Garantiana 2 appraisal well during well test and flaring. The volume spilled was limited and the environmental impact related to the spill was assessed as negligible.

Environmental impact assessments or risk assessments for our activities have been undertaken on a regular basis. These have been based on offshore environmental monitoring and detailed knowledge of inventories and the environment around our operation sites, as well as the probability, duration and estimated volume for a blowout scenario, when applicable. Based on the conclusions of these assessments and the principle that the Company always adheres to regulatory requirements and Company rules, whichever are more stringent, we are confident that Total E&P Norge

CHEMICALS SUMMARY DRILLING OPERATIONS / 2014 (TONNES)	TRELL		GARANTIANA II		MARTIN LINGE*	
	SUM USED	SUM DISCHARGED	SUM USED	SUM DISCHARGES	SUM USED	SUM DISCHARGED
Total Green Chemicals	1 552.79	1 017.85	4 246.48	1 602.65	4 876.77	2 166.08
Total Yellow Chemicals	16.099	12.356	562.659	18.989	12.417	4.069
Total Red Chemicals	4.815	0	28.973	0	0	0
Total Black Chemicals	0.329	0	0.313	0	0	0

* excluding rig chemicals

practices sound management as regards the environmental impact of its activities.

Production drilling at the Martin Linge field started in early September 2014. Both water-based mud and non-aqueous based mud (NABM) are used during drilling operations. Total E&P Norge is the first operator in Norway that will use a thermo-mechanical cuttings cleaning system offshore that will allow cleaning the cuttings drilled with NABM before discharge to sea.

Total E&P Norge is certified according to the ISO 14001:2004 standard. The certificate is periodically verified before re-certification (every third year). In 2014, the verification conducted by Det Norske Veritas Certification AS revealed one minor non-conformity that will be corrected before the re-certification in 2015.

Detailed information on our environmental accounts and their impact can be found in the annual discharge report submitted through the joint electronic reporting format for the Norwegian Environment Agency, the Norwegian Petroleum Directorate and the Norwegian Oil and Gas Association (NOROG). This report is accessible from the NOROG website (www.norog.no).

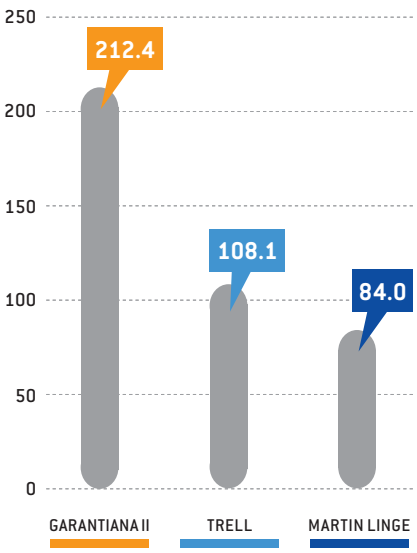
As regards production and operation of the operated fields Skirne and Atla, they were able to produce in commingle operations during 2014. For two months late spring, the Heimdal platform stopped production in order to perform the Lifetime Extension Project. As a consequence, Atla and Skirne did not produce during this period.

The discharge accounts from the drilling operations at the Trell and Garantiana 2 wells are provided in the table above, including environmental characterisation of the chemicals discharged (accidental discharge not included). The black chemical is related to use of hydraulic oil in a closed system.

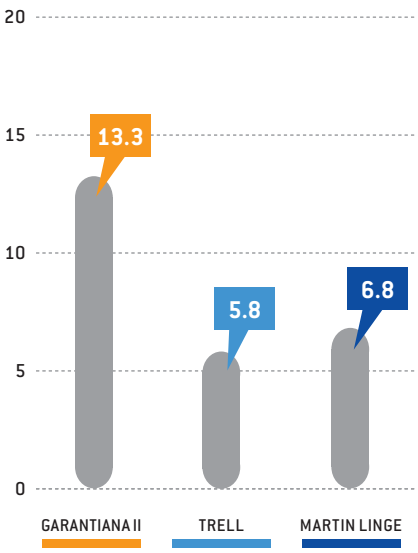
In addition to the chemical discharges, 2163 tonnes of cuttings were disposed of on site for the three drilling operations.

The CO2 and NOx emissions from our operated activities in 2014 are illustrated in the figures below.

NO_x EMISSIONS FOR DRILLING, WELL TEST AND SUPPORT ACTIVITIES (TONNES)



CO_2 EMISSIONS FOR DRILLING, WELL TEST AND SUPPORT ACTIVITIES (1 000 TONNES)



8 OUTLOOK FOR 2015

Total E&P Norge attaches high importance to corporate social responsibility and the due compliance by all Company staff and our cooperating partners with the Ethics Charter and Code of Conduct set by the TOTAL Group.

The Board is of the opinion that 2015 will be an important and challenging year for Total E&P Norge as it continues to build towards a greater role as operator on the Norwegian Continental Shelf (NCS), well into the execution phase of the Martin Linge project.

The Board has identified several key events in the year to come, starting off with our main challenges:

- Continue to meet the Company's ambitions with regard to health, safety and the environment.
- Implement and deliver as expected in our activities on the TOTAL Group's '4C & Deliver' cost reduction program, and share our experience with the program in our non-operated licences.
- Progress of the Martin Linge development project in close co-operation with our partners and main contactors.
- Safely and successfully carry out our drilling operations on Skirne Øst and Martin Linge.
- Continue to mature and optimise the Garantiana and other discoveries towards potential developments.
- Study opportunities for new licences and operatorships in the 23rd Licensing Round and APA 2015, in addition to continued portfolio optimisation activities.
- Develop the workforce competence needed for our future activity level.
- Be an active and constructive partner with influence on key decisions in our portfolio of core non-operated licences.

The 2015 timeline - Highlights

- Key activities for the Martin Linge project in 2015 are the production drilling activities, the installation of the 163-km long AC electric cable out from Kollsnes in the spring, as well as completion of commissioning of the power supply installations at Kollsnes and, last but not least, good progress in the construction work on the topsides in Korea.
- With 64 new co-workers in the Company last year, successful integration of the new staff as well as the continued training and preparation effort for the Martin Linge operations staff will be important.

With respect to the framework conditions on the NCS that affect our sector, we would emphasise the following:

- Following a multi-year trend of significant cost inflation in our industry, both on the NCS and worldwide, all major companies announced and implemented cost reduction programs in 2014 to break this trend. The ambition of the programs is to establish a sustainable cost level in the industry at large. In a context of increasing complexity of new developments and the marginal profitability of many new field developments on the NCS, the success of these programs will be decisive. The amendments to the petroleum tax system implemented by the former government in May 2013 and the current government's reluctance to change the amendments pose a concern in this context.
- Mid-January 2015 - the Minister of Petroleum and Energy announced the 23rd Licensing Round including 34 blocks in the Barents Sea Southeast. This will secure important and timely access for the petroleum industry to new acreage in potentially prospective areas in northern waters. As large parts of the Norwegian Continental Shelf continue to mature, the emphasis will shift to management of lifetime extension for maturing fields and facilities, particularly through the tie-back of smaller satellite discoveries and/or more challenging reservoirs. This requires an evolution in thinking, towards increased cost reduction and effectiveness, enabling technologies and greater standardization of solutions, all in a very challenging oil and gas price environment. This must be addressed by all players in the industry – authorities, oil companies, contractors and service companies.

The Board's general optimism for the future development of the Company, as expressed above, is based on its confidence in the quality and competence of the Company's staff in Norway.

9 ACCOUNTS

The 2013 accounts and explanatory notes
The 2014 accounts and explanatory notes are presented in this annual report.
We are not aware of any matters not dealt with in this report or the accompanying accounts that could be of significance when evaluating the Company's position at 31 December 2014 and the results of the year just ended.

Taking into account legal requirements and other relevant considerations, it is proposed that the Company's net profit shall be distributed as follows:

	NOK
Net income	7 431 000 000
To retained earnings	4 431 000 000
Dividend	3 000 000 000

THE BOARD OF DIRECTORS OF TOTAL E&P NORGE AS // 9 MARCH 2015

MICHAEL BORRELL
CHAIRMAN

PIERRE BOUSQUET

ERIC DENELLE

JORUNN BRIGTSEN*

ARILD KVANVIK JØRGENSEN

LOUIS VOS*

DOMINIQUE PAUL MARION

CATHERINE VAN DER LINDEN

DYVEKE BJØRGUM BRODAL*

LINE STEINNES*

ISABELLE GAILDRAUD
MANAGING DIRECTOR

* EMPLOYEES' REPRESENTATIVES

Maersk Intrepid is drilling the production wells on the Martin Linge field

INCOME STATEMENT

MILLION NOK	NOTES	2014	2013	VARIANCE
REVENUES				
Crude oil and gas sales	1	**40 622**	**44 260**	(3 638)
Tariff income		**529**	**490**	39
Other income	2	**1 473**	**257**	1 216
TOTAL REVENUES		**42 624**	**45 007**	(2 383)
OPERATING EXPENSES				
Purchases of gas		**423**	**412**	11
Salaries and employee benefits	3, 4	**452**	**831**	(379)
Licence fees, royalties and governmental expenses		**664**	**558**	106
Production and transportation expenses	5, 6	**7 980**	**7 931**	49
Exploration expenses		**386**	**484**	(98)
General and administrative expenses		**319**	**268**	51
Provisions for well plugging, dismantlement and removal	7	**2 025**	**2 139**	(114)
Depreciation, depletion and amortization	10	**6 953**	**7 272**	(319)
Variation of product stock		**1 099**	**1 095**	4
OPERATING EXPENSES		**20 301**	**20 990**	(689)
OPERATING PROFIT		**22 323**	**24 017**	(1 694)
FINANCIAL INCOME AND (EXPENSES)				
Financial income	8	**47**	**44**	3
Financial expenses	8	**(244)**	**(298)**	54
Income from subsidiary and related companies		**11**	**10**	1
Net exchange gains/(losses)		**(178)**	**(106)**	(72)
FINANCIAL INCOME/(EXPENSES) - NET		**(364)**	**(350)**	(14)
ORDINARY NET INCOME BEFORE TAXES		**21 959**	**23 667**	(1 708)
Taxes payable	9	**11 753**	**16 446**	(4 693)
Deferred taxes	9	**2 776**	**443**	2 333
NET INCOME		**7 431**	**6 778**	653
ALLOCATION				
Dividend	13	**3 000**	**0**	0
Retained earnings	13	**4 431**	**6 778**	(2 347)
TOTAL ALLOCATION		**7 431**	**6 778**	653

BALANCE SHEET

MILLION NOK / AT 31 DECEMBER	NOTES	2014	2013	VARIANCE
FIXED ASSETS				
INTANGIBLE ASSETS				
Licence acquisitions	10	**2 326**	**2 548**	(222)
TOTAL INTANGIBLE ASSETS		**2 326**	**2 548**	(222)
PROPERTY, PLANT AND EQUIPMENT	8,10			
Buildings		**196**	**199**	(3)
Producing assets - completed		**49 773**	**49 661**	112
Producing assets - in progress		**20 901**	**12 449**	8 452
Exploration wells - in progress		**3 323**	**2 786**	537
Transport - and other equipment		**1 441**	**1 522**	(81)
TOTAL PROPERTY, PLANT AND EQUIPMENT		**75 633**	**66 616**	9 016
FINANCIAL INVESTMENTS				
Shares	11	**215**	**212**	3
Long-term receivables	3	**154**	**276**	(122)
TOTAL INVESTMENTS		**369**	**488**	(119)
TOTAL FIXED ASSETS		**78 328**	**69 653**	8 674
CURRENT ASSETS				
INVENTORIES				
Material and supplies		**546**	**435**	111
Oil/Gas underlift		**2 353**	**3 324**	(971)
TOTAL INVENTORIES		**2 898**	**3 758**	(861)
ACCOUNTS RECEIVABLE				
Customers	12	**4 198**	**4 938**	(740)
Other		**235**	**205**	30
TOTAL ACCOUNTS RECEIVABLE		**4 433**	**5 143**	(710)
CASH AND CASH EQUIVALENT	12	**483**	**1 605**	(1 122)
TOTAL CURRENT ASSETS		**7 814**	**10 506**	(2 692)
TOTAL ASSETS		**86 142**	**80 159**	5 983

MILLION NOK / AT 31 DECEMBER	NOTES	2014	2013	VARIANCE
EQUITY				
PAID-IN CAPITAL				
Share capital	13	**4 201**	**4 201**	0
Share premium	13	**2 340**	**2 340**	0
TOTAL PAID-IN CAPITAL		**6 541**	**6 541**	0
RETAINED EARNINGS				
Retained earnings	13	**8 491**	**7 241**	1 249
TOTAL RETAINED EARNINGS		**8 491**	**7 241**	1 249
TOTAL EQUITY		**15 032**	**13 782**	1 249
LIABILITIES				
LONG-TERM PROVISIONS				
Pension obligations	4	**1 688**	**1 332**	356
Deferred taxes	9	**17 641**	**15 504**	2 137
Well plugging, dismantlement and removal	7	**12 555**	**12 439**	116
TOTAL LONG-TERM PROVISIONS		**31 884**	**29 275**	2 609
OTHER LONG-TERM LIABILITIES				
Long-term loans from associated companies		**25 000**	**22 000**	3 000
Long-term loans from other companies		**1 773**	**1 505**	268
Other long-term liabilities		**8**	**9**	(1)
TOTAL LONG-TERM LIABILITIES		**26 782**	**23 514**	3 268
CURRENT LIABILITIES				
Overdraft facilities	12	**23**	**0**	23
Oil/Gas overlift		**582**	**454**	128
Accounts payable and accrued expenses	12	**3 200**	**3 414**	(214)
Taxes other than income taxes		**68**	**53**	15
Income taxes payable	9	**5 427**	**9 541**	(4 114)
Proposed dividend	13	**3 000**	**0**	3 000
Other short term debt		**144**	**126**	18
TOTAL CURRENT LIABILITIES		**12 444**	**13 588**	(1 144)
TOTAL LIABILITIES		**71 110**	**66 377**	4 733
TOTAL EQUITY AND LIABILITIES		**86 142**	**80 159**	5 983

CASH FLOW STATEMENT

MILLION NOK	2014	2013	VARIANCE
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income before taxes	21 959	23 667	(1 708)
Current taxes on income	(10 739)	(16 446)	5 707
Depreciation, depletion and amortisation	6 953	7 272	(319)
Long-term provisions	(252)	1 418	(1 670)
Loss / (gain) on sales of property, plant and equipment	(884)	(17)	(867)
Cash flows from operations	17 038	15 894	1 144
Cash increase/(decrease) from variations in:			
Accounts receivable and prepaid expenses	710	(1 211)	1 921
Inventories	989	1 055	(66)
Accounts payable and accrued liabilities	(179)	(491)	312
Accrued taxes	(4 114)	(2 464)	(1 650)
Long-term receivables	122	(184)	306
NET CASH PROVIDED BY OPERATING ACTIVITIES	14 566	12 598	1 968
CASH FLOWS FROM/(TO) INVESTING ACTIVITIES			
Capital expenditures	(16 902)	(16 806)	(96)
Investments in other shares	(3)	0	(3)
Proceeds from sales of property, plant and equipment	927	37	890
NET CASH USED IN INVESTING ACTIVITIES	(15 978)	(16 769)	791
CASH FLOWS FROM/(TO) FINANCING ACTIVITIES			
Increase/(decrease) in associated long-term liabilities	3 000	13 000	(10 000)
Increase/(decrease) in other long-term liabilities	268	39	229
Increase/(decrease) in overdraft facilities	23	0	23
Dividend paid to shareholder	(3 000)	(9 000)	6 000
NET CASH FLOWS FROM/TO FINANCING ACTIVITIES	290	4 039	(3 749)
Net increase/(decrease) in cash and cash equivalents	(1 122)	(132)	(990)
Cash and cash equivalents at 01.01	1 605	1 737	(132)
CASH AND CASH EQUIVALENTS AT 31.12	483	1 605	(1 122)

ACCOUNTING POLICIES

The financial statements are presented in accordance with the regulations in the Accounting Act and Norwegian Generally Accepted Accounting Principles.

REVENUE RECOGNITION. Revenues associated with sales and transportation of hydrocarbons is recognised when title passes to the customer at the point of delivery of the goods based on the contractual terms of the agreements. Other services are recognized at the time of delivery.

JOINT OPERATIONS. The Company's shares in joint operations are booked under the respective lines in the profit and loss statement and the balance sheet.

BALANCE SHEET CLASSIFICATION. Current assets and short-term liabilities consist of receivables and payables due within one year after transaction date. Other balance sheet items are classified as fixed assets / long-term liabilities.

Current assets are valued at the lowest of acquisition cost and fair value. Short term liabilities are recognized at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

FOREIGN CURRENCY TRANSLATION. Transactions in foreign currency are translated at the rate applicable on the transaction or invoicing date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date or, if covered by forward currency exchange contracts, at the contract rate. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

CASH AND CASH EQUIVALENTS.
Cash and cash equivalents includes cash, bank deposits and other short term highly liquid investments with maturities of three months or less.

INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT.
Costs related to intangible assets, property, plant and equipment are capitalized and depreciated linearly over the estimated useful life. Maintenance is expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset.

Depreciation charges for licence acquisitions, offshore and onshore production installations, booked under operating expenses, are determined by the unit-of-production method. Other onshore property, plant and equipment are depreciated by use of the linear or declining balance method.

If carrying value of a non current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realizable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are used.

Incurred interest cost related to substantial development projects are capitalized as part of the development cost.

EXPLORATION. Exploration costs are treated in accordance with the successful effort method, with the well as basis for the evaluation. Exploratory drilling costs are capitalized pending the determination of whether the wells found proved reserves. If the wells are determined commercially unsuccessful costs are expensed as depreciation. Geological and geophysical costs are expensed as incurred.

RESEARCH AND DEVELOPMENT. Research and development costs are expensed as incurred.

LEASING COMMITMENTS. Leases transferring substantially all the risks and rewards incidental to ownership from the lessor to the lessee are treated as financial leases. These contracts are capitalized as assets at fair value, or if lower, at the present value of the minimum lease payments according to the contract. A corresponding financial debt is recognized. These assets are depreciated over the shortest of the estimated economical life time of the asset and the leasing period. Leasing agreements without transfer of substantially all the risk and control to the lessee are considered as operating leases. The Company's leasing costs in operating leases are reflected as operating expenses.

SHARES. The investment is valued as at cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognized if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

The operations of the subsidiaries are considered immaterial compared to the level of the company's business, and consolidated accounts have therefore not been prepared. Group accounts are prepared by the holding company TOTAL S.A resident in France.

INVENTORIES. Consumable inventories consist of equipment for exploration and field development, and are calculated at average purchase prices. Spare parts are charged to operations when acquired.

OVER-/UNDERLIFTING. Overlifts or underlifts of petroleum products in relation to the company's ownership, is valued at sales price.

FUTURE WELL PLUGGING, ABANDONMENT AND REMOVAL COSTS. Annual provisions are made to meet future costs for decommissioning, abandonment and removal of installations. Provision requirements are reviewed on an individual field basis, and the net present value of future costs is the basis for the recognized obligation. Changes in time element (net present value) of the abandonment provisions are expensed annually and increase the obligations in the balance sheet. Changes in estimates are recognized over the remaining production period, unless the production is for material purposes completed. In such a case the changes in estimate is recognized immediately.

PENSIONS. Defined benefit plans are valued at the present value of accrued future pension benefits at the balance sheet date. Pension plan assets are valued at their fair value.

Changes in the pension obligations due to changes in pension plans are recognized over the estimated average remaining service period.

The company follows the revised IAS19, also valid in NRS 6. The accumulated effects of the changes in estimates in financial and actuarial assumptions are recognized in full in the "Changes in actuarial assumptions for pensions" in equity. These are incorporating revisions of costs of previous years' contributions, changes in interest costs, expected return on the pension funds and in discount rates used to calculate the pension obligations and assets.

The net pension cost for the period is classified in salaries and personnel costs.

INCOME TAX. Income taxes reflect both current taxes and taxes payable in the future as a result of the current year's activity. When calculating the deferred taxes, the company uses the liability method, under which deferred taxes are calculated applying legislated tax rates in effect at the closing date. Earned future deductible uplift allowance is offset against the special tax when calculating deferred taxes.

CASH FLOW STATEMENT. The statement of cash flow has been prepared in accordance with the indirect method as per the temporary Norwegian accounting standard.

NOTES

01 CRUDE OIL AND GAS SALES

MILLION NOK	2014	2013
Crude oil	**25 136**	27 556
NGL	**2 611**	2 535
Gas	**12 298**	13 193
Condensate	**577**	976
Total	**40 622**	44 260

Most sales of petroleum products are within Europe with some LNG cargoes sold in other markets. The main part of the oil and liquids sales are to Group companies.

02 OTHER INCOME / OTHER OPERATING COSTS

In 2014, the amount shown as other income includes gains on disposals of assets, insurance claim settlements and other income attached to licenses. The main contribution to this amount comes from the disposal of the sale of Total E&P Norge's full participating interest in Vale, Vilje and Morvin and of 8% interest in the Gina Krog field to PGNiG Upstream International AS with closing date on 30/12/2014 (and legal and fiscal effective date on 1/1/2014). The disposal contributed to a gain of 909 MNOK.

03 SALARY, EMPLOYEE BENEFITS, NUMBER OF EMPLOYEES

MILLION NOK	2014	2013
Salaries	**569**	480
Social security and other benefits	**85**	67
Pension cost	**(348)**	170
Other	**146**	114
Total salaries and employee benefits	**452**	831
Average number of full-time employments	**424**	356

Fees paid to the Board of Directors in 2014 amounted to NOK 280 000. Full cost incurred by Total E&P Norge for salaries and remunerations to the Managing Director amounted to NOK 5 619 368 in 2014. The company has a new Managing Director from August 2014. The Managing Director is formally employed and part of a pension agreement in another group company. There are no agreements with the Managing Director or the Board of Directors for special bonuses or separate remuneration in connection with termination.

The General Assembly of Shareholders of TOTAL S.A. has decided restricted share plans and share subscription option plans. The restricted shares plan is subject to certain conditions of economic performance of the TOTAL S.A. Group after a vesting period. Certain employees of Total E&P Norge AS were invited to participate in the plans. Given the immaterial value of the benefits, no expense has been recognized in the accounts.

Long-term receivables contain loans to employees of NOK 22 million. Total E&P Norge AS have also issued a guarantee to Nordea for loans to Total E&P Norge AS employees of total NOK 500 million as per 31.12.2014. No company loans were granted to the Managing Director.

04 EMPLOYEE RETIREMENT PLANS

All employees on national payroll have until 31.12.2014 been a part of the Company`s collective benefit retirement plan with DNB, with a right to receive defined future pensions. With effect from 01.01.2015 all new employees and current employees born in 1963 or later will be transferred to a defined contribution plan. The collective benefit retirement plan became a closed pension plan from 01.01.2015. A pension compensation scheme has been established for employees between 40-52 years.
In addition, the Company has established a senior policy for employees who would choose to retire as from the age of 62. Both these schemes are included in unfunded pension plans. Employees born in 1962 or earlier (124 employees on 31.12.2014) will still have a part of the Company`s collective benefit retirement plan with DNB. In addition, this plan also includes retired personnel (223 at 31.12.2014) who receive defined future pensions.

Employees under French and other benefit plans are the responsibility of other related companies. Total E&P Norge is charged with the net periodic pension costs covering those employees. The Company also has partly unfunded plans for certain employees with higher salary.

MILLION NOK	2014	2013
Current service cost	**115**	136
Interest cost	**106**	78
Interest on plan assets	**(55)**	(30)
Loss (gain) from curtailment or settlement	**(518)**	0
Net periodic pension cost	**(352)**	184

Pension cost includes associated social security tax.

THE FOLLOWING STATEMENT PRESENTS THE STATUS OF THE PLANS AT 31 DECEMBER 2014:

MILLION NOK	NET FUNDED PENSION PLANS	NET UNFUNDED PENSION PLANS	TOTAL ALL PLANS
Projected benefit obligation	**1 180**	**1 915**	3 095
Pension plan assets	**930**	**477**	1 407
Net pension assets (obligation)	**(250)**	**(1 438)**	(1 688)

Net unfunded plans are presented under long-term provisions.

Social security tax is calculated based on the pension plan`s net funded status and is included in the defined benefit obligation.

THE ACTUARIAL PRESENT VALUE HAS BEEN CALCULATED USING THE FOLLOWING ASSUMPTIONS:

	2014	2013
Discount rate	**3.2 %**	4.0 %
Projected wage increases	**4.0 %**	4.0 %
Projected Pension regulation	**3.7 %**	3.8 %

As of 2014, the mortality table K2013FT is used.

Total E&P Norge AS is obliged to follow the law on mandatory pension obligations.
The pension scheme satisfies the requirement in this Act.

05 AUDITOR

The audit fee for work performed in 2014 amounted to NOK 4 232 000 excl VAT, of which NOK 2 856 000 was for audit related services, NOK 259 000 for other attestation services and NOK 1 117 000 for income tax and VAT advice.

06 RESEARCH AND DEVELOPMENT

In 2014 the Company has incurred expenses of NOK 114 million on Research and Development activities. The Company's R&D program is a part of the TOTAL Group plan and is aimed at improving the value of our current and future investments on the Norwegian Continental Shelf. The focus is on improving understanding, developing new methodologies, models and hardware in the areas of enhanced oil recovery, reservoir/well monitoring, flow assurance, power supply and distribution on seabed, technology for subsea separation and fluid treatment for transport on long distances, and environmental assessment/monitoring. The program of work is accomplished through joint industry projects collaboration with Norwegian universities and institutes. The program also recognizes technical challenges set out in the national technology strategy, OG21.

07 PROVISIONS FOR FUTURE WELL PLUGGING, DISMANTLEMENT AND REMOVAL COSTS

Under the terms of the oil and gas licenses, the State may require full or partial dismantlement and removal of offshore oil and gas installations, or assume ownership at no charge when production finally ceases or upon the expiration of the licenses, and also if the license is surrendered or recalled. In the event of take over, the State will assume responsibility for dismantlement and removal of installations. If the Storting should require dismantlement and removal of the installations, removal costs will be fully tax deductible for the licensees.

The change in provision in 2014 for future well plugging, dismantlement and removal costs has been calculated at NOK 2 025 million using the unit-of-production method. Incurred costs in 2014 amounting to NOK 1 404 million have been offset to previous year's provisions. The discounted value of the total obligations expected to be paid for removal activities, are estimated to NOK 20 825 million.

08 FINANCIAL INCOME AND EXPENSES

MILLION NOK	2014	2013
FINANCIAL INCOME		
Interest income from group companies	**43**	38
Other interest income	**5**	6
Total financial income	**47**	44
FINANCIAL EXPENSES		
Interest expenses to group companies	**(451)**	(413)
Other interest expenses	**(138)**	(118)
Capitalized financial interest	**346**	233
Total financial expenses	**(244)**	(298)

09 INCOME TAXES

Taxes include both current and deferred taxes on income. The special petroleum tax has been calculated after the deduction of the available uplift allowance.

MILLION NOK	2014	2013
THE BASIS FOR THE CURRENT TAX PROVISIONS IS CALCULATED AS FOLLOWS:		
Net income before taxes	**21 959**	23 667
Permanent differences*	**(2 297)**	652
Change in timing differences	**(3 227)**	(1 106)
Basis for current tax calculation	**16 435**	23 213
Onshore income	**(250)**	(104)
Uplift	**(3 714)**	(3 216)
Basis for Special Offshore Tax	**12 471**	19 893
Corporate Tax 27%	**4 437**	6 500
Special Revenue Tax 51%	**6 360**	9 947
Previous years' adjustment	**(59)**	(5)
Tax cost on interim result for Sale and Acquisitions of assets	**1 014**	5
Deferred tax	**2 776**	443
This year's tax cost	**14 529**	16 889
Taxes payable in the income statement	**11 753**	16 446
Tax cost on interim result for Sale and Acquisitions of assets	**(1 014)**	(5)
Previous years' adjustment	**59**	5
This year's taxes payable	**10 798**	16 446
Instalments of income taxes paid	**(5 475)**	(6 810)
Other payable taxes related to previous years	**104**	(95)
Total taxes payable in the balance sheet	**5 427**	9 541

* Mainly related to the disposal of the 100% participating interest in Vale, Vilje and Morvin and of 8% in Gina Krog in 2014.

09

INCOME TAXES (CONTINUED)

MILLION NOK	2014	2013
DEFERRED TAX LIABILITIES ARE PROVIDED ON ALL TEMPORARY DIFFERENCES BETWEEN THE FINANCIAL REPORTING BASIS AND THE TAX BASIS OF THE COMPANY'S ASSETS AND LIABILITIES:		
Property, plant and equipment	**39 547**	34 984
Pensions	**(1 688)**	(1 332)
Other	**1 109**	2 215
Provision for well plugging and decommissioning	**(11 897)**	(11 736)
Basis for deferred ordinary taxes	**27 071**	24 131
Deferred Uplift	**(6 214)**	(5 883)
Onshore assets	**(599)**	(754)
Basis for deferred special taxes	**20 258**	17 494
DEFERRED TAX:		
Corporate Tax	**7 309**	6 757
Special Revenue Tax	**10 332**	8 747
Deferred tax liabilities	**17 641**	15 504
Change in deferred tax	**2 776**	443
TAX PROOF:		
Income before taxes	**21 959**	23 667
Marginal tax rate 78%	**17 128**	18 460
Tax effect of:		
- Permanent and other differences	**(1 812)**	595
- Tax interimperiode related to sale and acquisition of participating interest in licenses	**1 014**	0
- Earned uplift	**(2 103)**	(2 220)
- Previous years' adjustment	**302**	54
This years tax cost	**14 529**	16 889

10 INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT

MILLION NOK	PROD. INST. COMPLETED	TRANSPORT- & OTHER EQUIPMENTS	BUILDINGS	CONSTRUCTION IN PROGRESS	EXPLO WELLS IN PROGRESS	LICENCE ACQUISITIONS	TOTAL ALL ASSETS
At cost 01.01.14	138 408	2 034	288	12 449	7 240	5 999	166 418
Additions**	6 664	41	0	9 368	782	47	16 902
Transfers	248	0	3	(325)	84	0	10
Retirements and sales	(2 034)	0	0	(591)	(63)	(81)	(2 769)
Accumulated investments at 31.12.14	143 286	2 075	291	20 901	8 043	5 965	180 561
Accumulated depreciation	93 513	634	95	0	4 720	3 639	102 601
Book value 31.12.14	49 773	1 441	196	20 901	3 323	2 326	77 960
2014 depreciation	6 345	122	6	0	292	189	6 953
Estimated useful life of assets		10-20 years	30 - 50 years	Evaluation	Evaluation	Unit-of-prod	
Depreciation plan	Unit-of-prod	Decl bal/linear	Decl bal	-	-		

** Capitalized financial interests are included in the additions with 346 mnok

Fixed assets include the following amounts for capital leasing agreements per 31. December 2014 and 2013:

MILLION NOK	31.12.14	31.12.13
Transport- & other equipments	1 544	1 544
Accumulated depreciation	186	100
Book value year end	1 358	1 444

The financial leasing is reflecting a contract with a fixed capital cost for a period of 18 years.
Total E&P Norge AS has in addition the possibility to extend this agreement by 9 more years.

11 SHARES

ALL AMOUNTS IN THOUSAND NOK	REGISTERED OFFICE	OWNERSHIP INTEREST	VOTING INTEREST	EQUITY 31.12.2014	PROFIT (LOSS) 2014	BOOK VALUE
SHARES IN SUBSIDIARIES AND ASSOCIATED COMPANIES:						
Total Etzel Gaslager GmbH	Düsseldorf	100.00 %	100.00 %	12 378	505	8 736
TOTAL Gass Handel Norge AS	Stavanger	100.00 %	100.00 %	9 804	887	300
Norpipe Oil AS	Sola	34.93 %	34.93 %	67 457	27 990	178 347
Total subsidiaries and associated companies						187 383
SHARES IN OTHER COMPANIES:						
Kunnskapsparken Nord AS		11.75 %				11 752
Leda Technologies DA		25.00 %				15 374
Other						5
Total other companies						27 131

12 TRANSACTION AND CURRENT BALANCES WITH GROUP COMPANIES

Total E&P Norge AS has different transactions with Group companies. All the transactions, are part of the normal business and with arm's-length prices. The major transactions in 2014 are:

MILLION NOK	TYPE	SALES	COSTS
GROUP COMPANIES			
TOTAL S.A.	Services		554
Total Gas & Power Ltd	Sale of Gas	6 470	
Total Oil Trading SA	Sale of Oil/ LPG	27 636	
Total E&P UK	Sale of LPG	29	

MILLION NOK	2014	2013
RECEIVABLES		
Intercompany customers	**3 138**	3 864
Total	**3 138**	3 864
PAYABLES		
Intercompany accounts payable	**75**	87
Total	**75**	87

Unused short-term overdraft facilities with an associated finance company were NOK 977 million at year end 2014. Interest rates are dependant on currency and based on interbank offered rates.

The cash deposit is integrated into a group cash pooling agreement.

13 EQUITY

MILLION NOK	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TOTAL
Equity at 31.12.2013	4 201	2 340	7 241	13 782
Net income	0	0	7 431	7 431
Additional dividend on income 2013	0	0	(3 000)	(3 000)
Ordinary dividend proposed for 2014	0	0	(3 000)	(3 000)
Changes in actuarial assumptions for pensions	0	0	(181)	(181)
Equity at 31.12.14	4 201	2 340	8 491	15 032

At 31.12.14 Total E&P Norge AS was a wholly owned subsidiary of Total Holdings Europe S.A., a company in the Total Group. The consolidated accounts of Total SA are available on www.TOTAL.com.Share capital consist of 4 201 000 shares of NOK 1 000.

14 LONG-TERM DEBT

At year end 2014 the intercompany credit facility is for a maximum amount of NOK 30 000 million of which NOK 25 000 million are drawn, and there are no other unused long term credit facility. The lending interest on long-term loans from associated companies is based on market rate.

As of 31 December 2014 the long-term loans from other companies is linked to the booked financial leasing commitment.

MILLION NOK	2–5 YEARS	5 YEAR +
Long term debt related to leasing commitment	352	1 481

15 CONTINGENT LIABILITIES

EQUIPMENT LEASES. As operator, the Company have equipment lease rental obligations covering such operations as drilling rigs and other equipment. The duration periods of these lease agreements are from 1 to 2 years. The rental periods of offices and warehouse buildings have a duration of 3 to 11 years.

The company has also entered into a lease contract for rental of a LNG carrier vessel (charter party) for the transportation of LNG production share of the Snøhvit field. The commencement date of this contract is 2006 (ending 2018).

As a partner in the fields under development and operation, the Company has leasing agreements for drilling rigs, helicopters, storage vessels and other vessels. Leasing payments for Total E&P Norge AS was in 2014 NOK 2 687 million. Total future leasing costs for Total E&P Norge AS are NOK 14 316 million.

DRILLING COMMITMENTS. Under the terms of the license agreements, the company is committed to participate in the drilling of 5 exploration wells, of which 2 as operator and 3 as licensee.

OTHER COMMITMENTS. Total E&P Norge AS has several commitments to purchase goods and services in the context of its development of producing facilities. The development of the Martin Linge field is implying future significant commitments related to several contracts signed for construction and installation of facilities for an amount of NOK 6 700 million. As non operating partner the Company also have commitments related to development of different projects for an amount of NOK 3 400 million.

MILLION NOK	1 YEAR	2–3 YEARS	4–5 YEARS	> 2019
Leasing agreements	3 684	5 632	2 992	2 008

16 OIL AND GAS RESERVES (NOT AUDITED)

The definitions used for proved, proved developed and proved undeveloped oil and gas reserves are in accordance with the United States Securities & Exchange Commission (SEC)'s final rule "Modernization of Oil and Gas Reporting" issued on December 31, 2008. Proved reserves are estimated using geological and engineering data to determine with reasonable certainty whether the crude oil or natural gas in known reservoirs is recoverable under existing regulatory, economic and operating conditions.

Oil and gas reserves are assessed annually, taking into account, among other factors, levels of production, field reassessment, additional reserves from discoveries and acquisitions, disposal of reserves and other economic factors.

This process involves making subjective judgments. Consequently, estimates of reserves are not exact measurements and are subject to revision under well-established control procedures.

The estimation of reserves is an ongoing process which is done within Total E&P Norge by experienced geoscientists, engineers and economists under the supervision of the Company's General Management. Persons involved in reserve evaluation are trained to follow SEC-compliant internal guidelines and policies regarding criteria that must be met before reserves can be considered as proved.

The estimation of proved reserves is controlled by the Group through established validation guidelines. For further description of the Group's internal control process, please refer to the Reference Document issued by Total S.A. and available at www.total.com.

RESERVES AT 31.12.2014	OIL, NGL AND CONDENSATE (MILLION BBL)	NATURAL GAS (BILLION SM³)	OIL EQUIVALENTS (MILLION BBL)
Proven, developed and undeveloped reserves	421	82	958

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LICENCE PORTFOLIO AT 31.12.2014

LICENCE	BLOCK	FIELD	SHARE	EXPIRY DATE	OPERATOR
PL 006	2/5	Tor	100.00 %	31.12.2028	Total E&P Norge as
PL 018B	1/6	Albuskjell	39.90 %	31.12.2028	ConocoPhillips
PL 018	2/4, 2/7, 7/11	Ekofisk, Eldfisk, Embla	39.90 %	31.12.2028	ConocoPhillips
PL 026	25/2	Rind	62.13 %	23.05.2025	Total E&P Norge as
PL 029B	(15/6) (Gina Krog Unit & Outside)	Gina Krog	30.00 %	31.12.2032	Statoil Petroleum AS
PL 029C	(15/6)	Gina Krog	70.37 %	31.12.2032	Total E&P Norge as
PL 034	30/05	Tune	10.00 %	14.11.2015	Statoil Petroleum AS
PL 036 BS	25/4	Heimdal	16.76 %	11.06.2021	Statoil Petroleum AS
PL 040	29/9, 30/7	Martin Linge	51.00 %	31.12.2027	Total E&P Norge AS
PL 043	29/6, 30/4	Martin Linge	51.00 %	31.12.2027	Total E&P Norge AS
PL 043BS	29/6, 30/4 (Islay Carve-out)	Martin Linge	51.00 %	31.12.2027	Total E&P Norge AS
PL 043CS	29/6 (Islay Carve-out)	Islay	100.00 %	31.12.2027	Total E&P Norge AS
PL 043DS	29/6 (Islay Carve-out)	Islay	100.00 %	31.12.2027	Total E&P Norge AS
PL 044	1/9	Tommeliten	15.00 %	31.12.2028	ConocoPhillips
PL 044 B	1/9, 2/7	Tommeliten Protection acreage	15.00 %	31.12.2028	ConocoPhillips
PL 046	15/8, 15/9	Sleipner	10.00 %	31.12.2028	Statoil Petroleum AS
PL 046B	15/9	Volve	10.00 %	31.12.2028	Statoil Petroleum AS
PL 046D	15/9		10.00 %	31.12.2028	Statoil Petroleum AS
PL 048	15/5	Gina Krog	21.80 %	31.12.2032	Statoil Petroleum AS
PL 048B	15/5	Glitne	21.80 %	15.07.2016	Statoil Petroleum AS
PL 048E	15/6	Eirin	21.80 %	31.12.2028	Statoil Petroleum AS
PL 051	30/2, 30/3	Huldra	24.50 %	06.04.2015	Statoil Petroleum AS
PL 052B	30/3	Huldra	18.00 %	06.04.2015	Statoil Petroleum AS
PL 053	30/6	Oseberg Øst	14.70 %	01.03.2031	Statoil Petroleum AS
PL 054	31/2	Troll	3.69 %	30.09.2030	Statoil Petroleum AS
PL 055C	31/4	Oseberg Øst	14.70 %	01.03.2031	Statoil Petroleum AS
PL 062	6507/11	Åsgard	24.50 %	10.04.2027	Statoil Petroleum AS
PL 064	7120/08	Snøhvit	5.00 %	01.10.2035	Statoil Petroleum AS
PL 073	6407/01	Tyrihans	29.14 %	31.12.2029	Statoil Petroleum AS
PL 073B	6406/03	Tyrihans	26.67 %	31.12.2029	Statoil Petroleum AS
PL 077	7120/7	Snøhvit	10.00 %	01.10.2035	Statoil Petroleum AS
PL 078	7120/9	Snøhvit	25.00 %	01.10.2035	Statoil Petroleum AS
PL 079	30/9	Oseberg Sør	14.70 %	01.03.2031	Statoil Petroleum AS
PL 085B	31/9, 32/4	Troll	3.00 %	08.07.2030	Statoil Petroleum AS
PL 085C	31/3, 31/6	Troll	3.69 %	30.09.2030	Statoil Petroleum AS
PL 085	31/3 ,31/5, 31/6	Troll	3.69 %	30.09.2030	Statoil Petroleum AS
PL 092	6407/6	Mikkel	7.65 %	09.03.2020	Statoil Petroleum AS
PL 094B	6406/3	Åsgard	7.68 %	10.04.2027	Statoil Petroleum AS
PL 094	6506/12	Åsgard	9.80 %	10.04.2027	Statoil Petroleum AS
PL 099	7121/4	Snøhvit	37.50 %	01.10.2035	Statoil Petroleum AS
PL 100	7121/7	Albatross	35.00 %	01.10.2035	Statoil Petroleum AS
PL 102	25/5	Skirne & Byggve	40.00 %	01.03.2025	Total E&P Norge AS
PL 102C	25/5	Atla, Tir etc	40.00 %	01.03.2025	Total E&P Norge AS
PL 102D	25/5		40.00 %	01.03.2025	Total E&P Norge AS
PL 102E	25/5	Skirne extension	40.00 %	01.03.2025	Total E&P Norge AS
PL 102F	25/6	Trell prospect	40.00 %	01.03.2025	Total E&P Norge AS
PL 102G	25/7		40.00 %	01.03.2025	Total E&P Norge AS
PL 104	30/9	Oseberg Sør	14.70 %	01.03.2031	Statoil Petroleum AS
PL 104B	30/9	Oseberg Sør	14.70 %	01.03.2031	Statoil Petroleum AS

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LICENCE PORTFOLIO AT 31.12.2014

LICENCE	BLOCK	FIELD	SHARE	EXPIRY DATE	OPERATOR
PL 110	7120/5 ,7121/5 ,7121/5	Snøhvit	25.00 %	01.10.2035	Statoil Petroleum AS
PL 110B	7121/6, 8&9,7122/4, 5&6	TORNEROSE	18.40 %	17.12.2014	Statoil Petroleum AS
PL 120	34/7, 34/8	Visund	11.00 %	23.08.2034	Statoil Petroleum AS
PL 120B	34/7, 34/8	Gimle	11.00 %	23.08.2034	Statoil Petroleum AS
PL 121	6407/5	Mikkel	7.65 %	28.02.2022	Statoil Petroleum AS
PL 127	6607/12	Alve North	50.00 %	28.02.2023	Total E&P Norge AS
PL 134D	6506/12	Kristin	6.00 %	10.04.2027	Statoil Petroleum AS
PL 146	2/4	King Lear	22.20 %	08.07.2027	Statoil Petroleum AS
PL 171B	30/12	Oseberg Sør	14.70 %	01.03.2031	Statoil Petroleum AS
PL 190	30/8	Tune	10.00 %	10.09.2032	Statoil Petroleum AS
PL 190B	30/8		10.00 %	08.02.2017	Statoil Petroleum AS
PL 193	34/11	Kvitebjørn	5.00 %	10.09.2031	Statoil Petroleum AS
PL 193C		Kvitebjørn	5.00 %	10.09.2031	Statoil Petroleum AS
PL 193E		Kvitebjørn	5.00 %	10.09.2031	Statoil Petroleum AS
PL 199	6406/2	Kristin	6.00 %	10.09.2033	Statoil Petroleum AS
PL 211	6506/6, 6507/4	Victoria	40.00 %	02.02.2032	Total E&P Norge AS
PL 211B	6506/9, 6507/7	Victoria extension	40.00 %	02.02.2032	Total E&P Norge AS
PL 219	6710/06		15.00 %	02.02.2014	Statoil Petroleum AS
PL 237	6407/03	Åsgard	7.68 %	10.04.2027	Statoil Petroleum AS
PL 255	6406/5, 6406/6, 6406/9	Linnorm	20.00 %	12.05.2038	A/S Norske Shell
PL 257	6406/1,6406/5	Erlend	6.00 %	10.09.2033	Statoil Petroleum AS
PL 263C	6507/11	Yttergryta ext.	24.50 %	12.05.2037	Statoil Petroleum AS
PL 275	2/4		39.90 %	31.12.2028	ConocoPhillips
PL 303B		Beta & Theta NE	10.00 %	12.12.2013	Statoil Petroleum AS
PL 333	2/4 (Partial Relinq.in progress)	King Lear	22.20 %	08.07.2027	Statoil Petroleum AS
PL 333 B	2/4	King Lear protection acreage	22.20 %	08.07.2027	Statoil Petroleum AS
PL 448	7120/7, 7120/8, 7120/9	Snøhvit	18.40 %	15.06.2016	Statoil Petroleum AS
PL 479	6506/9, 6506/12	Smørbukk North prospect	9.80 %	01.03.2015	Statoil Petroleum AS
PL 554	34/6	Garantiana prospect	40.00 %	19.02.2016	Total E&P Norge AS
PL 554B	34/9	Garantiana prospect	40.00 %	19.02.2016	Total E&P Norge AS
PL 554C	34/5	Garantiana prospect	41.00 %	19.02.2016	Total E&P Norge AS
PL 574	29/9, 30/7, 30/10		30.00 %	04.02.2020	Statoil Petroleum AS
PL 607		Byrkje & Gloppen prospects	40.00 %	13.05.2015	Gdf Suez E&P Norge
PL 618	1/2, 1/3, 1/5, 1/6, 1/9	Solaris prospect	60.00 %	03.02.2019	Total E&P Norge AS
PL 619	1/3, 1/6, 2/1		50.00 %	03.02.2020	Total E&P Norge AS
PL 627	25/5, 25/6, 25/8, 25/9		40.00 %	03.02.2019	Total E&P Norge AS
PL 661	2/2, 2/4, 2/5		60.00 %	08.02.2021	Total E&P Norge AS
PL 662	2/4		60.00 %	08.02.2021	Total E&P Norge AS
PL 667	1/3		50.00 %	08.02.2020	Total E&P Norge AS
PL 675	24/11, 24/12		40.00 %	08.02.2020	Statoil Petroleum AS
PL 676 S	24/9, 24/12, 25/7		20.00 %	08.02.2020	Faroe Petroleum
PL 684	34/8, 34/11		5.00 %	08.02.2021	Statoil Petroleum AS
PL 685	34/6, 35/1, 35/4		40.00 %	08.02.2020	Total E&P Norge AS
PL 710	7218/12, 7219/10, 7219/11		40.00 %	21.06.2019	Total E&P Norge AS
PL 760	6607/11 & 12	Alve North Area	50.00 %	07.02.2021	Total E&P Norge AS

AUDITOR'S REPORT

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Total E&P Norge AS, which comprise the balance sheet as at 31 December 2014, the statements of income and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

THE BOARD OF DIRECTORS' AND MANAGING DIRECTOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS. The Board of Directors and Managing Director are responsible for the preparation and fair presentation of these financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as the Board of Directors and Managing Director determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION. In our opinion, the financial statements of Total E&P Norge AS have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2014 and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

OPINION OF THE BOARD OF DIRECTORS' REPORT. Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

OPINION ON REGISTRATION AND DOCUMENTATION. Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that the Board of Directors and Managing Director have fulfilled their duty to ensure that the Company's accounting information is properly recorded and documented as required by law and generally accepted bookkeeping practice in Norway.

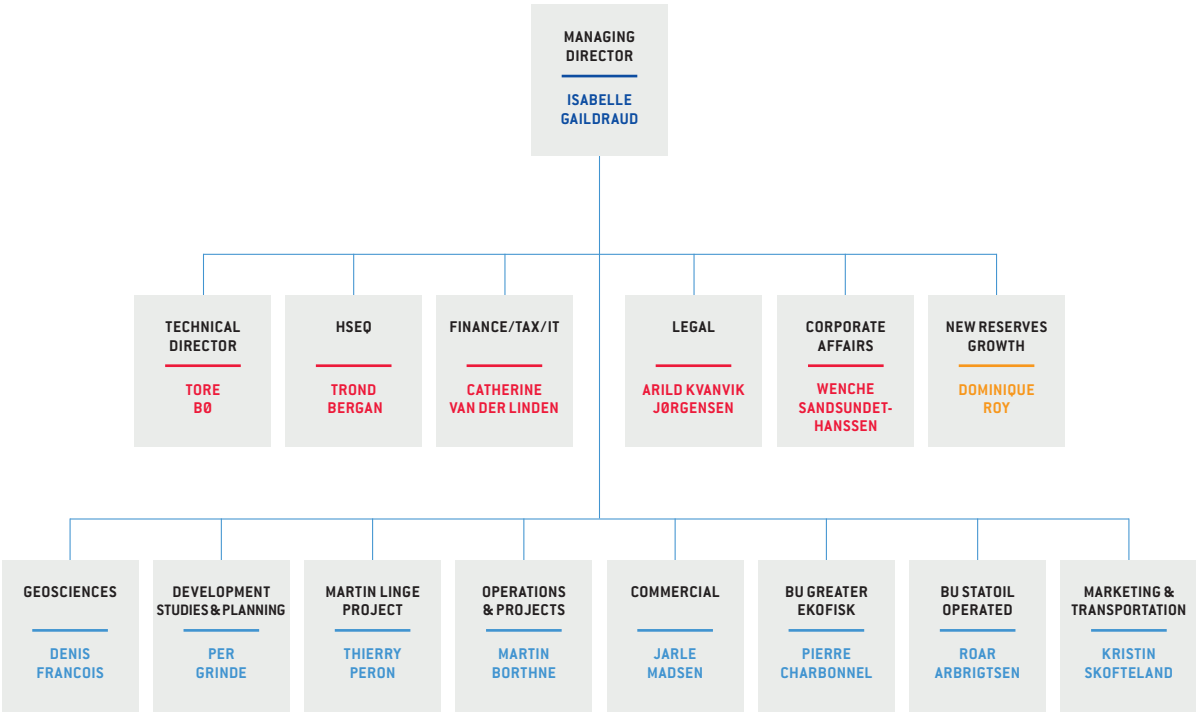
Stavnager, 9 March 2015
ERNST & YOUNG AS

Erik Søreng
State Authorised Public Accountant
(Norway)

(This translation from Norwegian has been made for information purposes only.)

Design: KG32 fasett
Photo: Woldcam/Total E&P Norge (page 4 and 14) and Anne Lise Norheim/Total E&P Norge (page 6).
Paper: Arctic Volume High White (150/250g)
Circulation: 500 (English)
Print: HBO AS

ORGANISATION



TOTAL E&P NORGE
OWNERSHIP IN PRODUCTION FIELDS AND MAIN OPERATED PRODUCTION LICENCES ON THE NCS

AT 01.05.2015

FIELDS IN PRODUCTION	SHARE (%)	OPERATOR
ATLA	40.00	TOTAL E&P NORGE
EKOFISK	39.90	CONOCOPHILLIPS
ELDFISK	39.90	CONOCOPHILLIPS
EMBLA	39.90	CONOCOPHILLIPS
GIMLE	4.90	STATOIL
ISLAY	100.00*	TOTAL E&P NORGE
KRISTIN	6.00	STATOIL
KVITEBJØRN	5.00	STATOIL
MIKKEL	7.65	STATOIL
OSEBERG	14.70	STATOIL
OSEBERG EAST	14.70	STATOIL
OSEBERG SOUTH	14.70	STATOIL

FIELDS IN PRODUCTION	SHARE (%)	OPERATOR
SKIRNE	40.00	TOTAL E&P NORGE
SLEIPNER EAST/GUNGNE	10.00	STATOIL
SLEIPNER WEST	9.41	STATOIL
SNØHVIT	18.40	STATOIL
TOR	48.20	CONOCOPHILLIPS
TROLL	3.69	STATOIL
TUNE	10.00	STATOIL
TYRIHANS	23.18	STATOIL
VISUND	7.70	STATOIL
VISUND SOUTH	7.70	STATOIL
VOLVE	10.00	STATOIL
ÅSGARD	7.68	STATOIL

*NORWEGIAN SHARE (5.51% OF THE TOTAL FIELD)

- TOTAL E&P NORGE **OPERATED FIELDS**
- TOTAL E&P NORGE **OPERATED LICENCES**
- TOTAL E&P NORGE **PARTNER OPERATED FIELDS**

TOTAL E&P NORGE OWNERSHIP (NOT SHOWN ON MAP)	SHARE (%)	OPERATOR
PIPELINES		
OIL		
NORPIPE (OIL)	34.94000	CONOCOPHILLIPS
OSEBERG TRANSPORT (OTS)	12.98159	STATOIL
FROSTPIPE*	36.25000	TOTAL E&P NORGE
TROLL OIL I	3.70687	STATOIL
TROLL OIL II	3.70687	STATOIL
SLEIPNER CONDENSATE	10.00000	STATOIL
PLANTS / TERMINALS		
GAS		
ETZEL GAS LAGER (ETZEL)	1.07910	STATOIL
OIL		
STURE (STURE)	12.98159	STATOIL
VESTPROSESS (MONGSTAD)	5.00000	STATOIL

*FROSTPIPE IS NO LONGER IN OPERATION, BUT IS KEPT

WWW.TOTAL.NO

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(main office)

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