



Business Update

1st quarter 2016 results

Performance

Production

Opex (\$ million)

Capex (\$ billion)

1Q 2016 highlights

- ACG achieved a total of about 2.9 billion barrels of oil production since start.
- ACG delivered 5 oil producer wells and two water injection wells.
- Shah Deniz (SD) Stage 1 continued plateau production.
- Shah Deniz achieved a total of 70.4 billion standard cubic metres of gas and 17.7 million tonnes of condensate production since start.
- The Shah Deniz Stage 2 (SD2) and South Caucasus Pipeline Expansion (SCPX) projects continued to progress to schedule - over 70% of work completed.
- SCPX mainline construction continued in Azerbaijan and Georgia
- Over 22,000 people involved in SD2 and SCPX activities in Azerbaijan.
- Planning for the 3D seismic acquisition programme for the Shallow Water Absheron Peninsula (SWAP) area completed.

Shah Deniz Stage 2 and SCPX

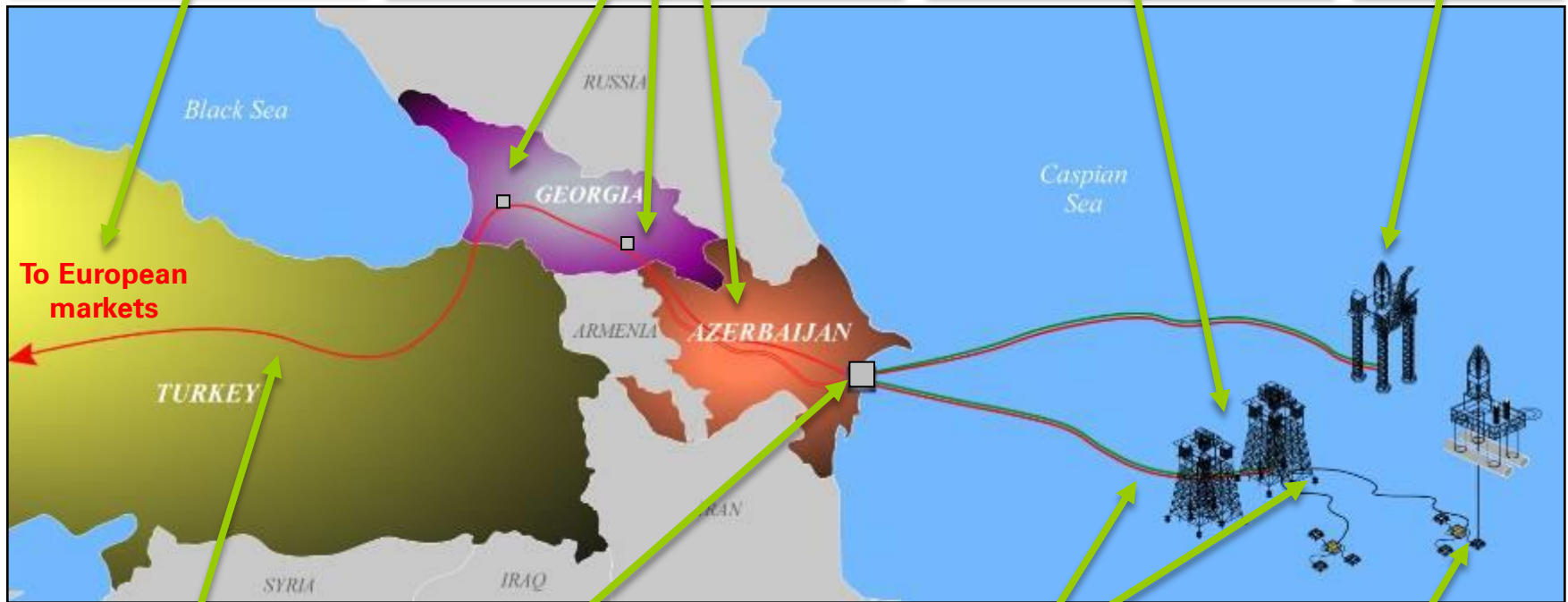
Contracts to sell gas to Turkey (6bcma) and Europe (10bcma)

16bcma upgrade of SCP:

- new SCPX 48" loop in Azerbaijan/Georgia
- 2 new compressor stations in Georgia

Two new bridge-linked platforms providing 16bcma offshore processing

Existing Stage 1 platform



1,900km TANAP pipeline (not operated by BP) across Turkey

New gas and condensate processing facilities with a compressor at Sangachal

360km of pipelines and 125km of subsea flow-lines in up to 550m water depth

26 subsea wells to be drilled with two semi-submersible rigs

Local content and social initiatives

Local contractors/suppliers (Azerbaijan-Georgia-Turkey region) ¹	Number	Spend (\$ million)	
SMEs	303	637 ²	} 48% of sustainable third party spend
State-owned companies	42	168	
JVs with local partners	15	414	
In-country spend with foreign suppliers		415	
Total in-country spend		1,634	

1. The data on local contractors is updated twice a year. This is the data for end of 4Q 2015.

2. This amount also includes expenditures with physical persons.

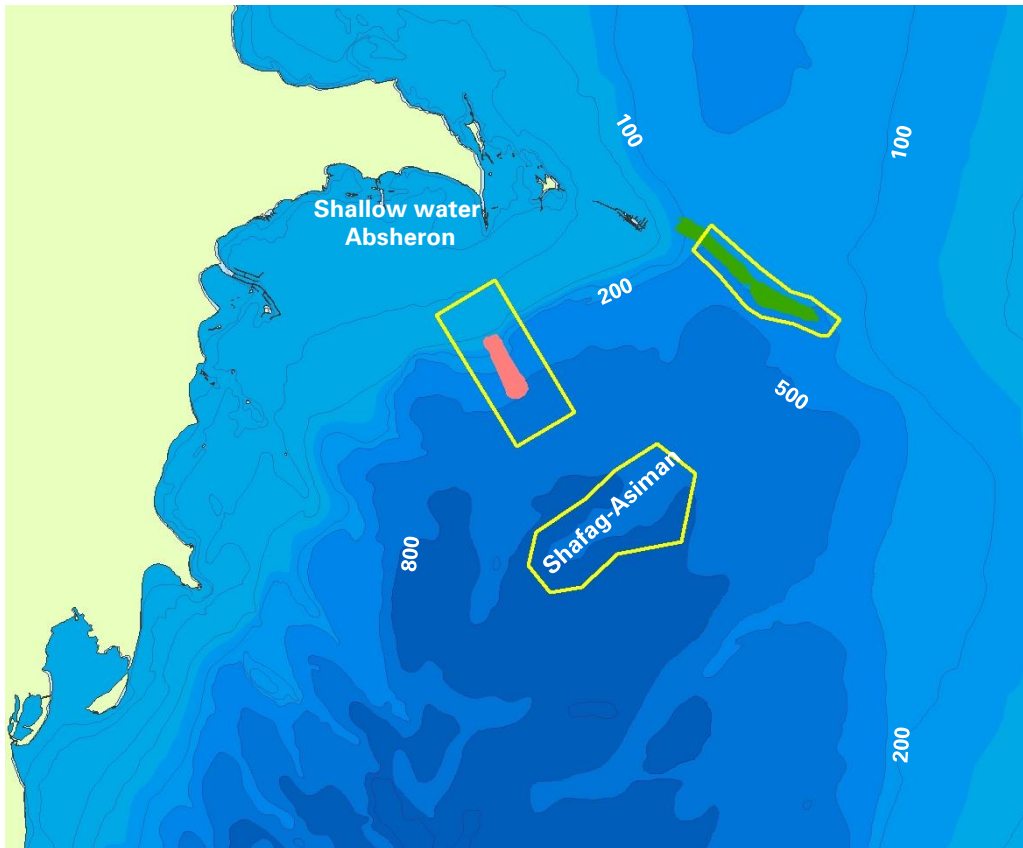
Social initiatives in Azerbaijan

(\$ thousand disbursed)

ACG	51.3
Shah Deniz	7.9
BTC/SCP	104.8
BP100	175.0
Total	339.1



Exploration opportunities



Shafag-Asiman

- 60km from Shah Deniz; 145km from the Sangachal terminal
- Water depth: 600-800m
- PSA signed in October 2010
- 3D seismic acquisition conducted
- Data processing completed in 2014
- Interpretation of the seismic dataset completed
- Planning for the first exploration well commenced

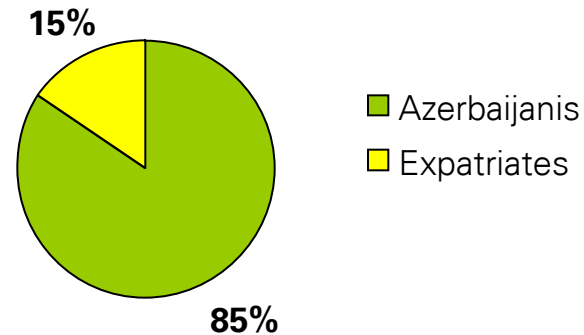
Shallow Water Absheron Peninsula (SWAP)

- South of the Absheron Peninsula
- Water depth: up to 40m
- PSA signed in December 2014 (ratified by the Parliament in April 2015)
- 2D seismic survey safely completed in December 2015
- Planning for 3D seismic survey programme completed.

Employment of Azerbaijani nationals

- 2,926 Azerbaijanis directly employed by BP
- 85% of permanent professionals in Azerbaijan comprised of national employees

Permanent professional employees in Azerbaijan



Major social investment initiatives

- The enterprise development and training programme - support for building local capacities and business development
- Support for building local capabilities - the School of Project Management; Training for communities at Gobustan Regional Training Centre; community development programmes
- Support for education through local universities
- Partnership with the National Olympic and Paralympic Committees and support for national teams and athletes
- Documentary about Garabagh horses

