



Business Update

1Q 2011 results

1Q 2011 performance results

1Q 2011 actual

Production

✓ ACG	
– oil (mbd)	785.5
– oil (mmt)	9.6
✓ SD	
– gas (bcm)	1.84
– condensate (mmt)	0.4

Opex, \$m

✓ ACG	140.6
✓ SD	47.9

Capex, \$m

✓ ACG	419
✓ BTC	7.3
✓ SD	125.8
✓ SCPC	2.1

2011 highlights

- ✓ COP all key contracts finalised and construction activities commenced
- ✓ SDX-06 completed and SDX-07 spudded
- ✓ 1500th tanker loaded at Ceyhan with BTC exported oil
- ✓ Shafag - Asiman PSA ratified by Parliament

Shah Deniz full field development – *concept and planned activities*

Contracts to sell gas to EU and Turkey.

Two new bridge linked platforms provide 16 bcma offshore processing

Existing Stage 1 Platform



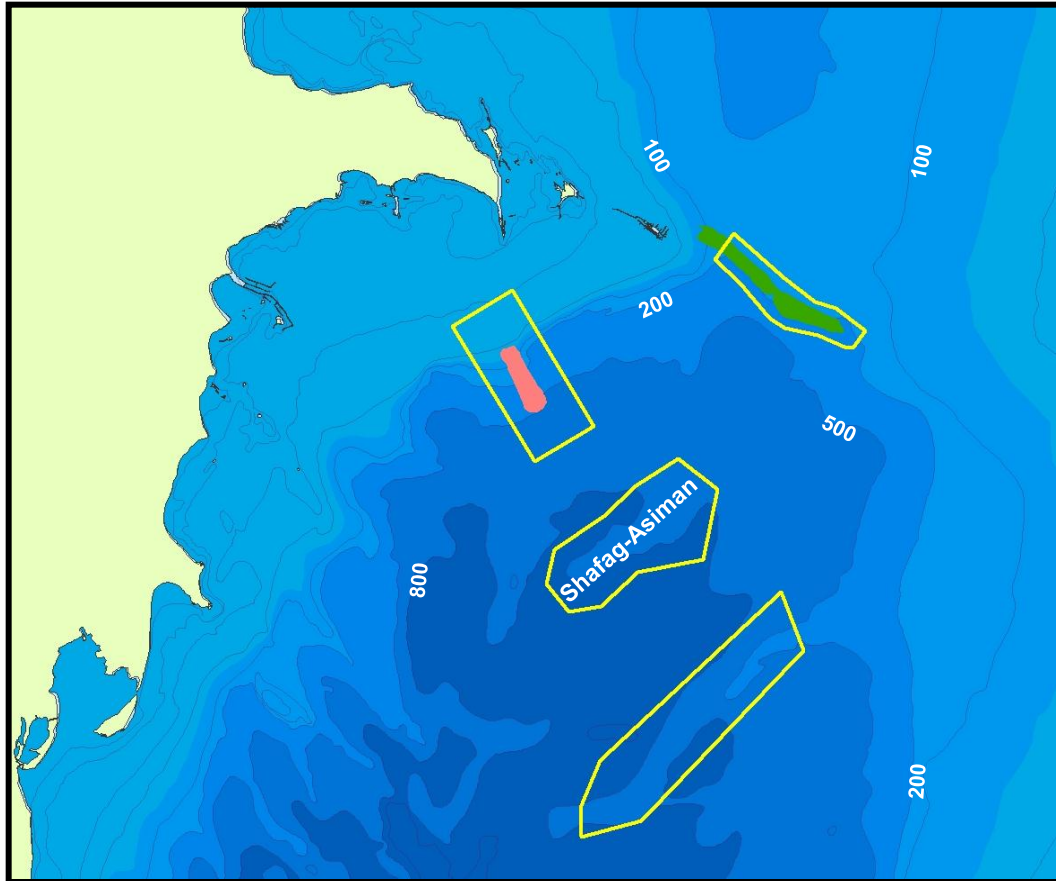
2000km transit across Turkey

New terminal at Sangachal with compressors for Shah Deniz and SCP

500 km of subsea flowlines in up to 550m water depth

Up to 30 subsea wells to be drilled with two semi-submersible rigs

Shafag Asiman Exploration



Shafag Asiman

- Water Depth: 600m–800 m
- 60 km from Shah Deniz;
145 km from Sangachal Terminal
- Deep (7000m) reservoirs
- Expected very high subsurface pressures.

Exploration

- 3D Seismic acquisition followed by Exploration Well. Timings determined by availability of infrastructure.

Local content and social initiatives in Azerbaijan (1st Q 2011)

Local Contractors/Suppliers	Number	1Q'2011 Spend (\$m)	
✓ SMEs	135	56	} 37% of third party spend
✓ State-owned companies	19	7	
✓ JVs with Azerbaijani partners	16	98	
✓ In-country spend with Foreign Suppliers		126	
Total in-country spend		287	

2011 social initiatives (\$m disbursed)	Total
ACG	0.22
Shah Deniz	0.09
BTC/SCP	0.50
BP100	0.06
Total	0.87



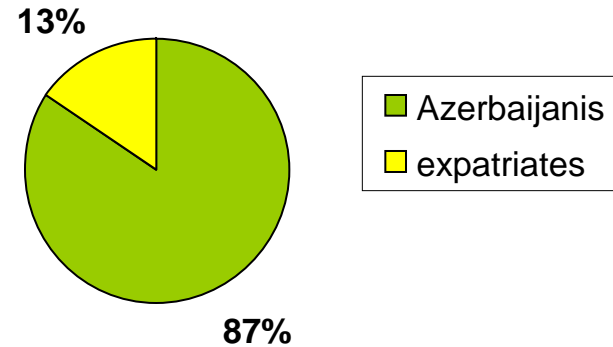
1Q 2011 Employment of Azerbaijani nationals

✓ 2,169 Azerbaijanis directly employed by BP

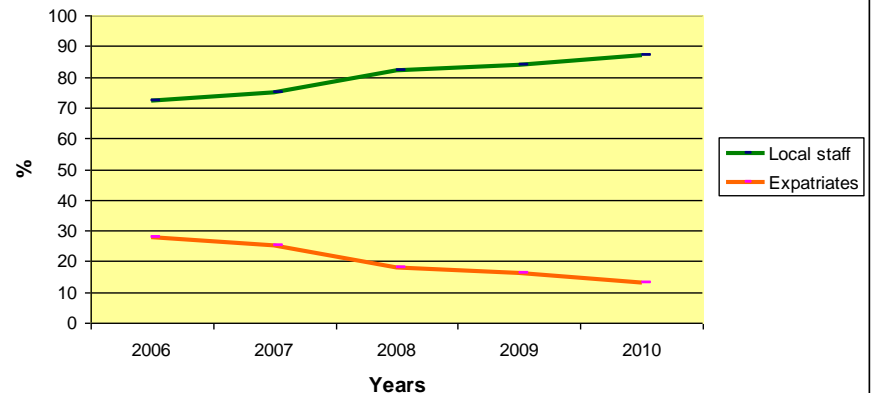
✓ 87% of permanent professionals in Azerbaijan comprised of national employees



Permanent professional employees in Azerbaijan (1Q 2011)



Permanent professional employees in Azerbaijan (end 2010)



Major social initiatives

- ✓ Supplier Finance Facility
- ✓ Enterprise Development and Training Programme
- ✓ Microfinance Lending Programmes
- ✓ Macroeconomic advisory and business enabling environment projects
- ✓ Community social infrastructure improvement and capacity building projects (along BTC/SCP and Baku corridor)
- ✓ Oil and Gas Undergraduate Scholarship programme and Annual Bursary Awards
- ✓ Support for education through the Qafqaz University
- ✓ School of Project Management
- ✓ BP School Library project along BTC/SCP
- ✓ Business journalism training programme
- ✓ Support for publication of H.Z.Tagiyev book and research on the Azerbaijani novel “Ali and Nino”
- ✓ Geosciences and Engineering Speaker Series initiative

