



Business Update

1H 2011 results

1H 2011 performance results

1H 2011 actual

Production

✓ ACG

— oil (mbd)

775.7

— oil (mmt)

19.0

✓ SD

— gas (bcm)

3.07

— condensate (mmt)

0.8

Opex, \$m

✓ ACG

325.3

✓ SD

86.8

Capex, \$m

✓ ACG

874.9

✓ BTC

8.0

✓ SD

298.2

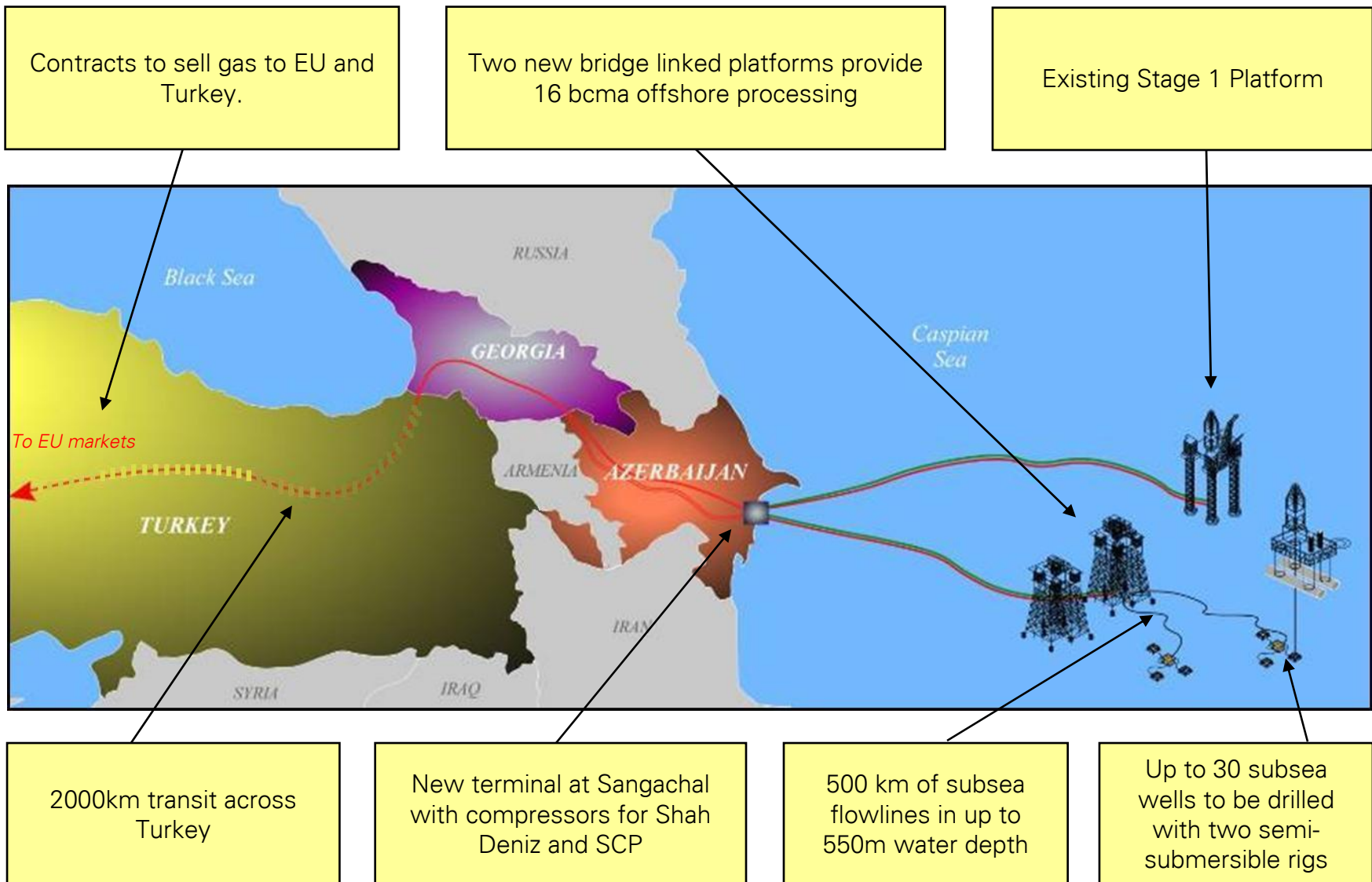
✓ SCPC

3.7

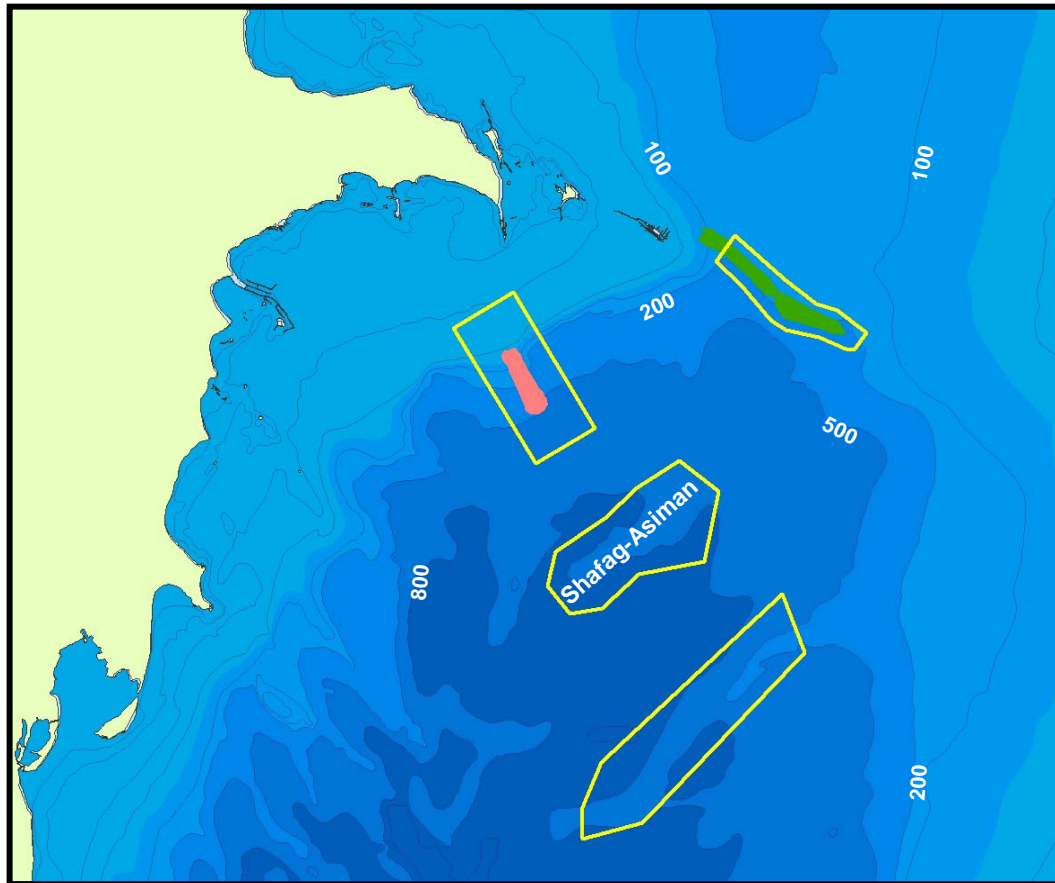
2011 highlights

- ✓ COP all key contracts finalised and construction activities commenced
- ✓ SDX-06 completed and SDX-07 spudded
- ✓ Shafag - Asiman PSA ratified by Parliament
- ✓ 1600th tanker lifted at Ceyhan with BTC exported oil
- ✓ A request for proposal and a request for information issued to pipeline groups by Shah Deniz
- ✓ The “Gilavar” returned to Baku to conduct 3-D seismic survey for “Shafag-Asiman”

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



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 planned for September, 2011
- Exploration Well, timing of which to be determined by availability of infrastructure.

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

Local Contractors/Suppliers	Number	1H'2011 Spend (\$m)	
✓ SMEs	163	112	} 37% of third party spend
✓ State-owned companies	22	15	
✓ JVs with Azerbaijani partners	16	210	
✓ In-country spend with Foreign Suppliers		255	
Total in-country spend		592	

1H'2011 social initiatives (\$m disbursed)

ACG	0.34
Shah Deniz	0.18
BTC/SCP	0.74
BP100	0.07
Total	1.33



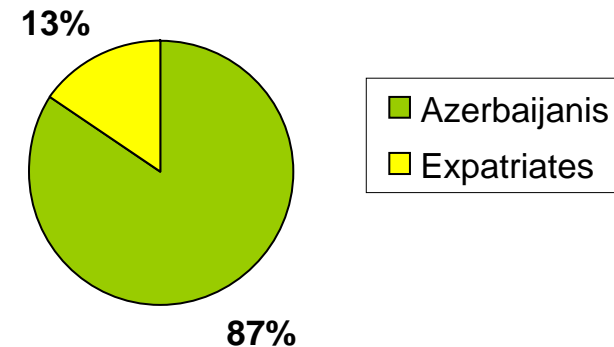
1H 2011 employment of Azerbaijani nationals

✓ 2,189 Azerbaijanis directly employed by BP

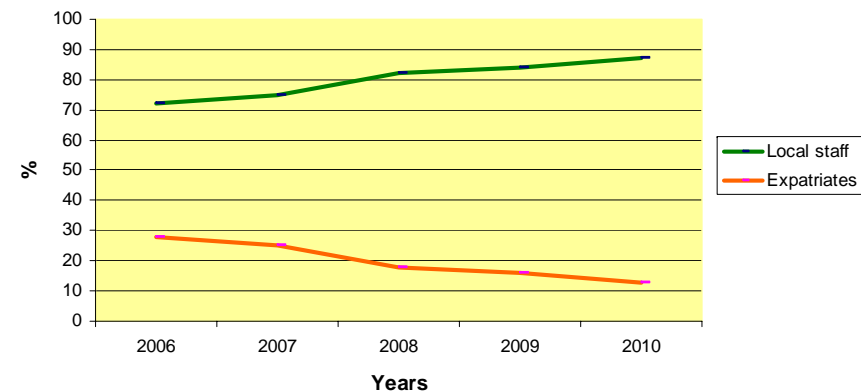
✓ 87% of permanent professionals in Azerbaijan comprised of national employees



Permanent professional employees in Azerbaijan (1H 2011)



Permanent professional employees in Azerbaijan (1H 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”
- ✓ “Meet the Buyer “ event in support of development of local market

