



Business Update

3Q YTD 2012

Performance results (actual)



Production

• ACG	
— oil (mb/d)	684.0
— oil (mmt)	25.3
• SD	
— gas (bscm)	5.15
— condensate (mmt)	1.4

Opex (\$m)

• ACG	539.7
• SD	214.9

Capex (\$m)

• ACG	1,807
• BTC	38.7
• SD	771.5
• SCP	7.7

Updated

2012 up to date Highlights



- ACG achieved a total of 2.0 bn barrels of oil production milestone
- Shah Deniz achieved 2.0 bn cubic metres of gas production in 1Q
- Shah Deniz started production from five wells
- Shah Deniz FFD selected a single pipeline option to Italy and a single pipeline option to Central Europe
- Shah Deniz Stage 2 approved the decision to commence FEED
- COP construction activities over 73% complete and progressing on plan
- COP jacket fabrication at BDJF 90% complete
- BTC loaded the 1.950th tanker at Ceyhan
- “Shafag-Asiman” completed the first 3D seismic acquisition

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



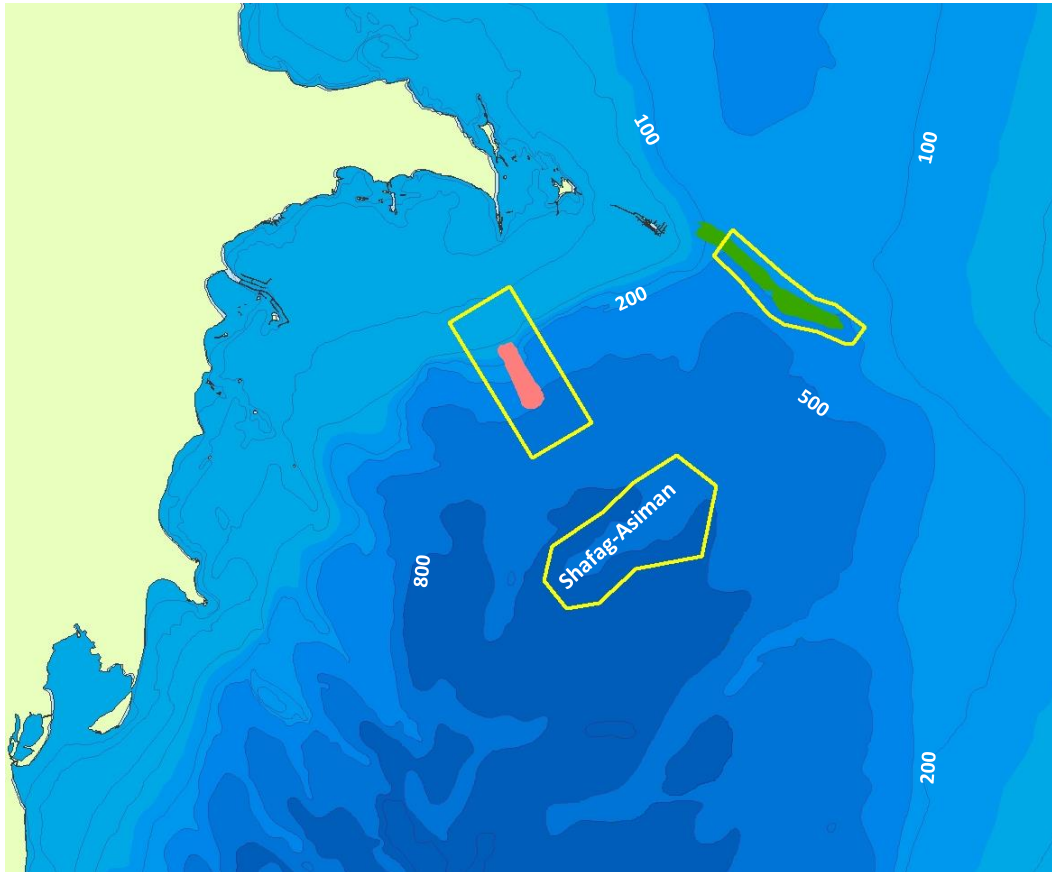
2000 km transit across Turkey

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

Exploration:

- 3D seismic acquisition conducted.
- Exploration well, timing of which to be determined by availability of infrastructure.

Local content and social initiatives in Azerbaijan



Local contractors/suppliers	Number	Spend (\$m)	
SMEs	174	348	} 38% of third party spend
State-owned companies	25	36	
JVs with Azerbaijani partners	12	365	
In-country spend with foreign suppliers		425	
Total in-country spend		1,174	

Updated

Social initiatives (\$m disbursed)	
ACG	0.50
Shah Deniz	0.35
BTC/SCP	1.04
BP100	1.70
Total	3.6



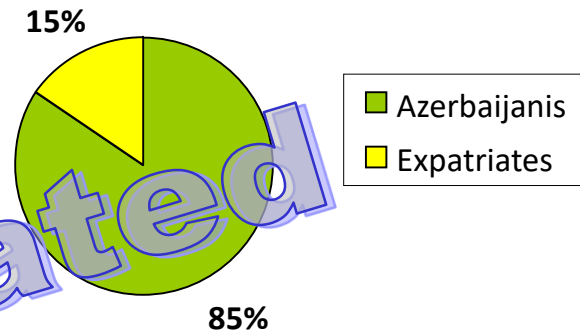
Employment of Azerbaijani nationals



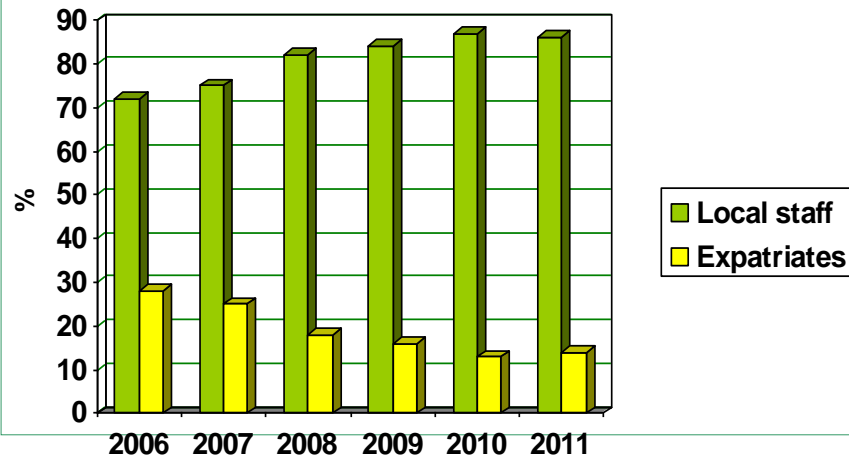
- 2,585 Azerbaijanis directly employed by BP
- 85% of permanent professionals in Azerbaijan comprised of national employees

Updated

Permanent professional employees in Azerbaijan



Permanent professional employees in Azerbaijan



Major social initiatives



- Community social infrastructure improvement and capacity building projects (along BTC/SCP and Baku corridor)
- Agricultural development programmes for communities along BTC/SCP
- Enhancing local governance and environmental initiatives along BTC/SCP
- Supplier finance facility
- Establishment of a web-based Caspian Information Centre (CIC)
- “Meet the Buyer’ event project in support of local market development
- School of Project Management
- The Enterprise development and training programme
- Macroeconomic advisory and business enabling environment projects
- Microfinance lending programmes
- Oil and Gas undergraduate scholarship programme and annual bursary awards
- Support for education through Qafqaz University – 2 new departments and 5 laboratories opened
- Business journalism training programme
- BP School Library project along BTC/SCP
- Support for publication of H.Z.Tagiyev book and research on the Azerbaijani novel “Ali and Nino”
- Geosciences and engineering speaker series initiative

