



Business Update

1 Half 2014 Results

Performance results



Production

• ACG	
— oil (mb/d)	656.1
— oil (mmte)	16
• SD	
— gas (bcm)	4.75
— condensate (mmte)	1.12

Opex (\$m)

• ACG	479
• BTC	100
• SD	243
• SCP	22.4

Capex (\$m)

• ACG	1 231
• BTC	61.3
• SD	1 766
• SCP	325

2014 highlights



- West Chirag delivered First Oil
- ACG achieved a total of over 2.5 billion barrels of oil production since first oil
- ACG delivered 8 oil producer wells and 1 water injector well
- BTC loaded the 2 billionth barrel of crude at Ceyhan
- Shah Deniz continued plateau production
- Shah Deniz delivered a total of about 53 billion cubic metres of gas and about 14 million tonnes of condensate since start
- SD2 and SCPX awarded 15 main contracts and the projects continued to progress to schedule
- 'Shafag-Asiman' completed 3D seismic data processing

Shah Deniz Stage 2 and SCPX



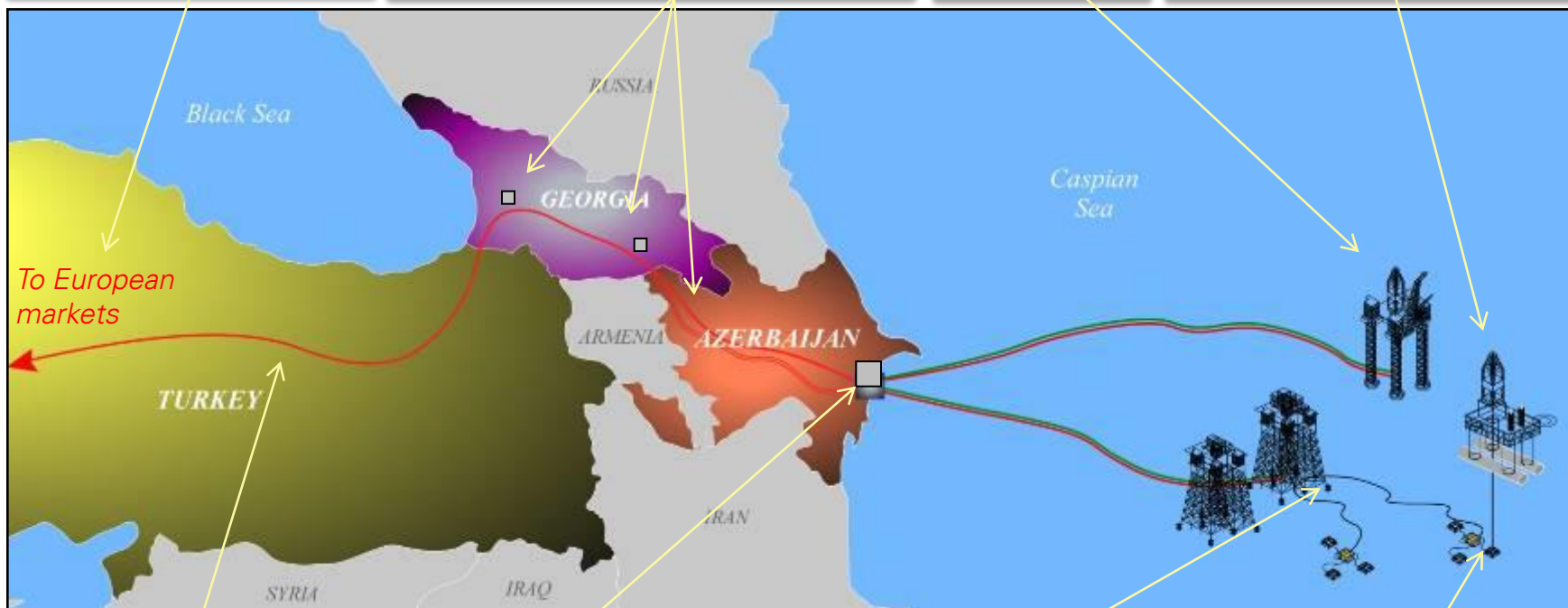
Contracts to sell gas to Turkey (6bcma) and Europe (10 bcma)

16bcma upgrade of SCP:

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

Existing Stage 1 platform

Two new bridge-linked platforms providing 16 bcma offshore processing



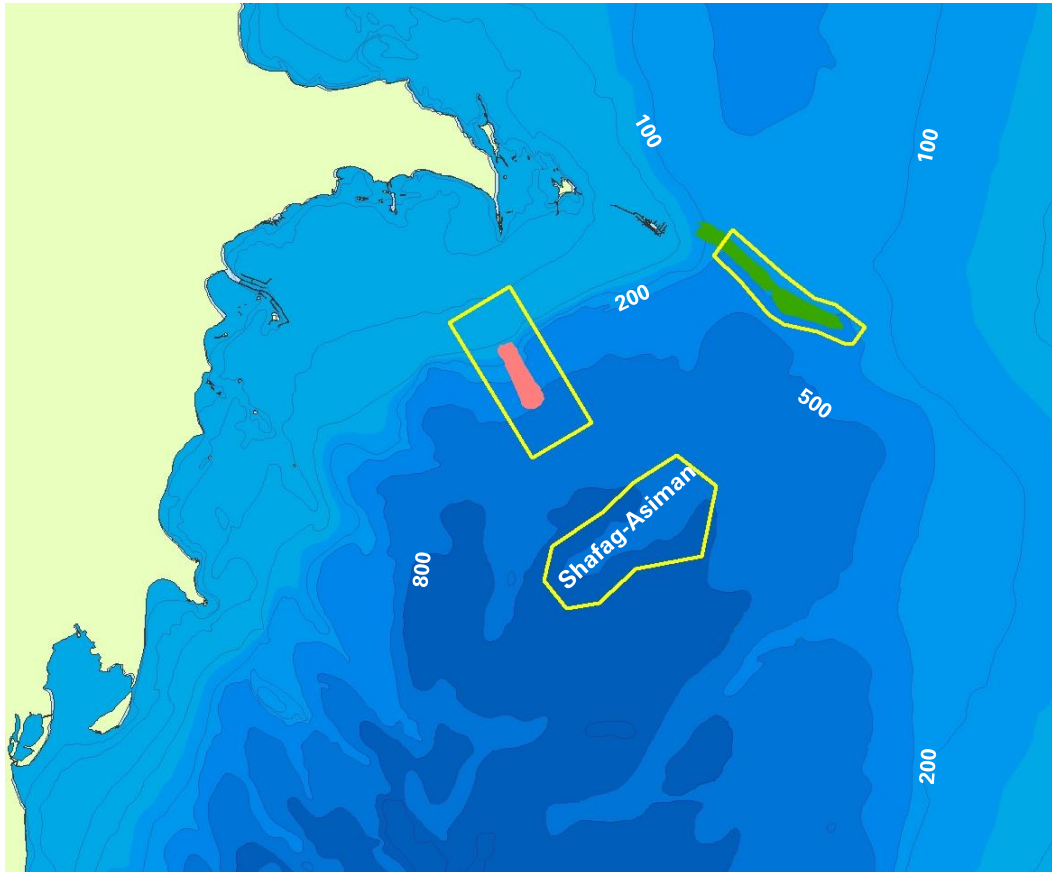
1,900km TANAP pipeline across Turkey

New gas and condensate processing facilities with a compressor at Sangachal

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

26 subsea wells drilled with two semi-submersible rigs

Shafag-Asiman exploration



Shafag-Asiman:

- Water depth: 600-800m.
- 60km from Shah Deniz; 145km from Sangachal terminal.
- Deep (7,000m) reservoirs.
- Expected very high subsurface pressures.

Exploration:

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

First half 2014 local content and social initiatives



Local contractors/suppliers (AGT region)	Number	Spend (\$m)	
SMEs	180	378 ¹	} 36% of third party spend
State-owned companies	27	65	
JVs with local partners	13	240	
In-country spend with foreign suppliers		286	
Total in-country spend		969	

¹ This amount also includes expenditures with physical persons.

Social initiatives in Azerbaijan (\$m disbursed)

ACG	0.19
Shah Deniz	0.19
BTC/SCP	0.40
BP100	0.46
Total	1.24

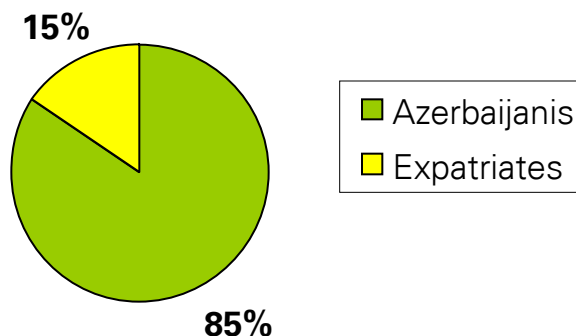


Employment of Azerbaijani nationals

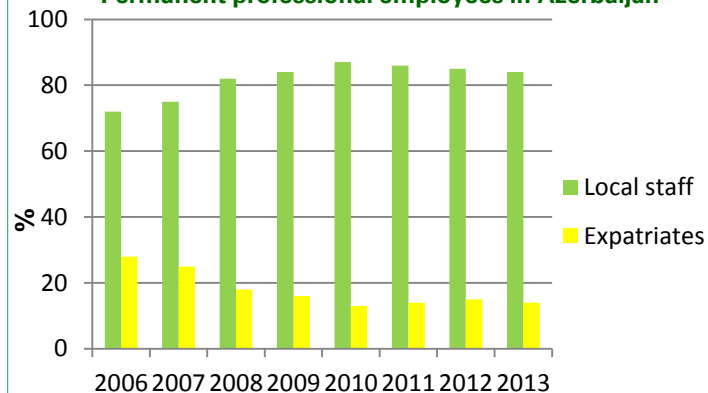


- 2,912 Azerbaijanis directly employed by BP
- 85% of permanent professionals in Azerbaijan comprised of national employees

Permanent professional employees in Azerbaijan



Permanent professional employees in Azerbaijan



Major social initiatives



- The enterprise development and training programme
- 'Meet the Buyer' event in support of local market development
- Support for building local capabilities through the School of Project Management and Gobustan Regional Training Centre
- Support for education through Qafqaz and Khazar Universities; partnership with UNICEF in the "Partners in Education" project
- Oil and Gas scholarship programme and annual bursary awards
- Enhancing local governance and environmental initiatives along BTC/SCP
- Establishment of a web-based Caspian Information Centre (CIC)
- Macroeconomic advisory and business enabling environment projects
- Microfinance lending programmes
- 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'
- Partnership with NOC and NPC and support for national teams
- "Free admission to museums" initiative
- Official Partner of the Baku 2015 European Games and of BEGOC's innovative Games Academy initiative

