



Brazil: Expansion and Investment

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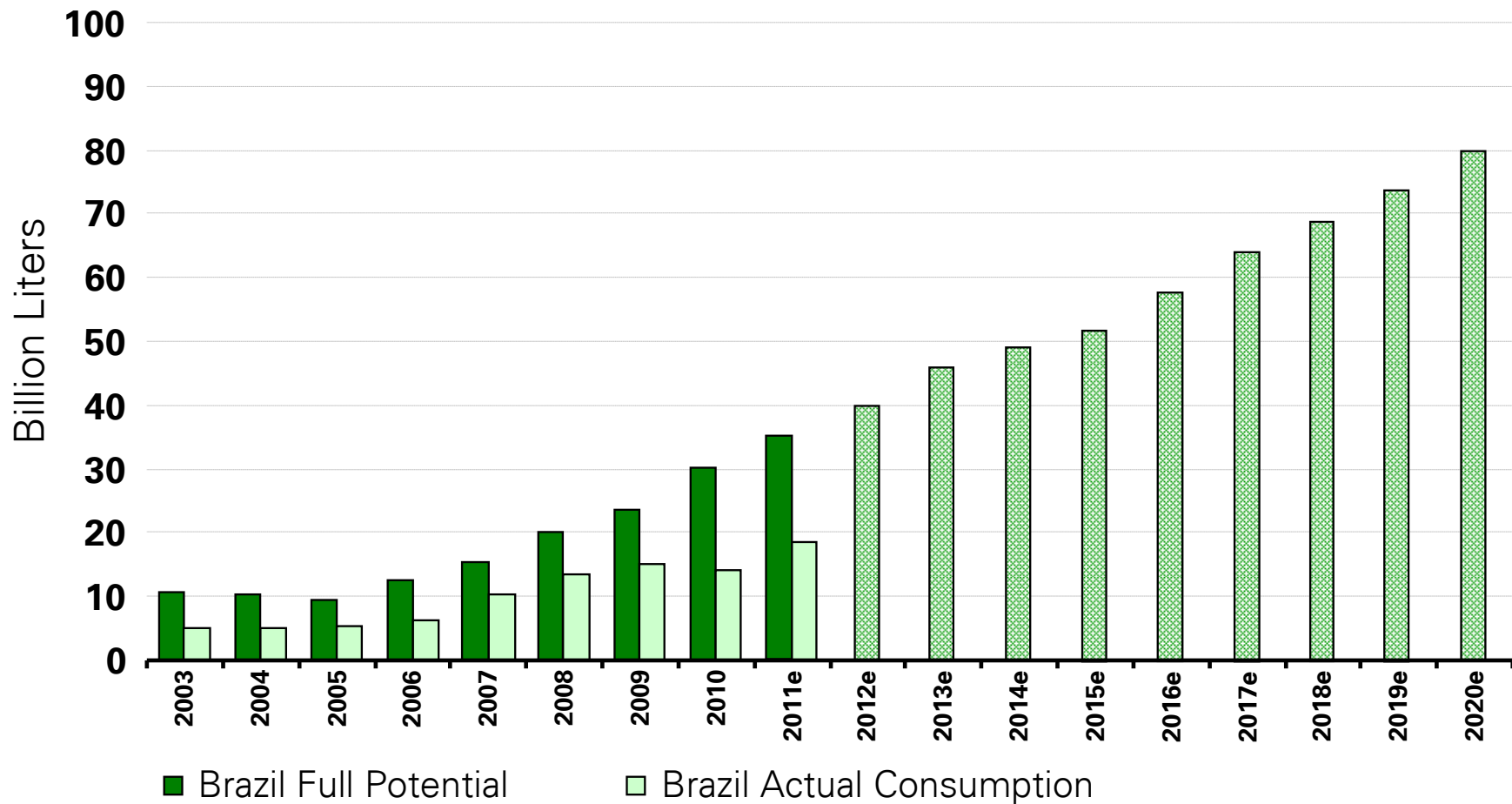


Forward Looking Statements



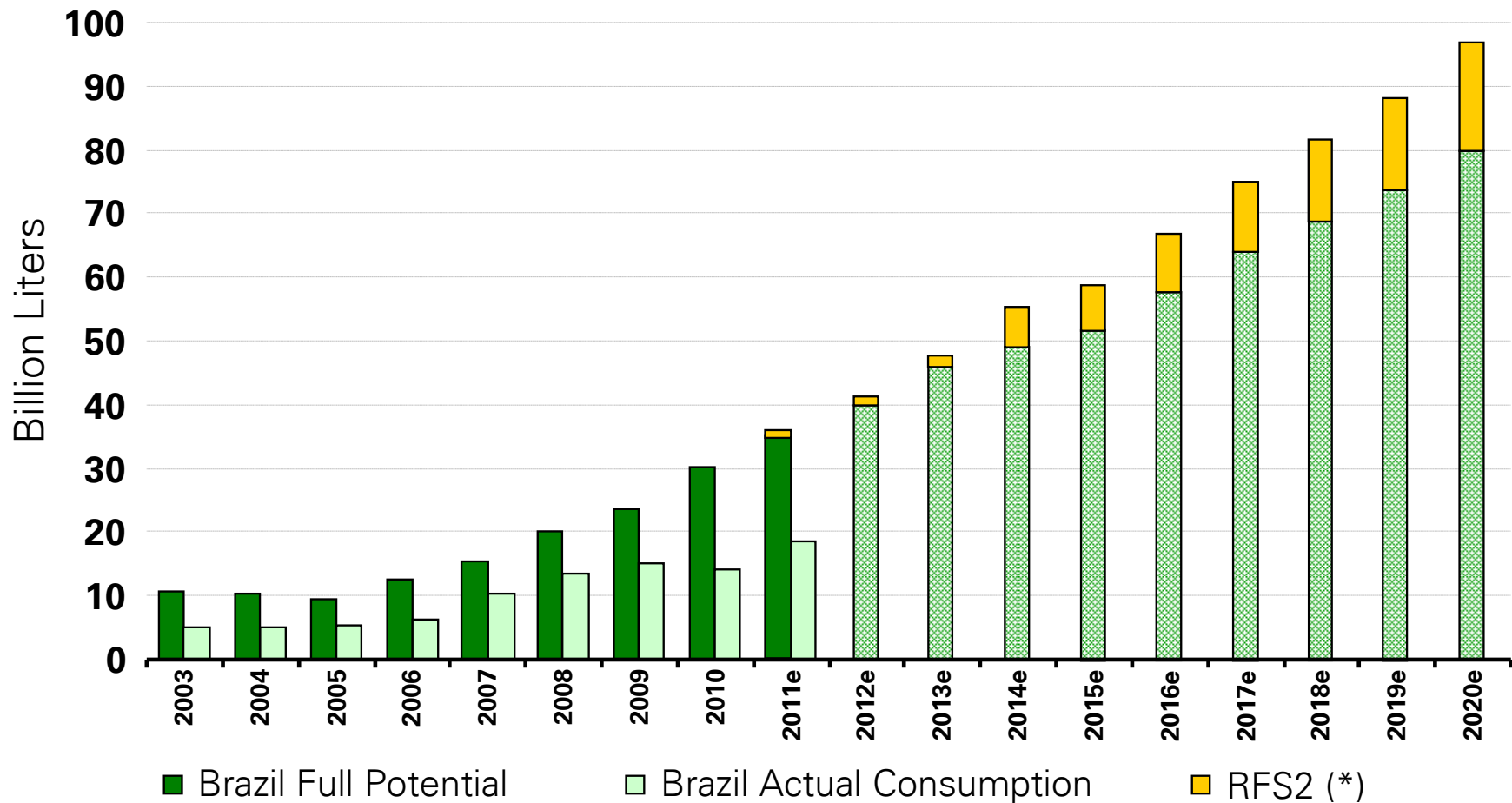
This presentation contains forward-looking statements based on management's current expectations, estimates and projections. All statements that address expectations or projections about the future, including statements about the company's strategy for growth, product development, market position, expected expenditures and financial results are forward-looking statements. Some of the forward-looking statements may be identified by words like "expects," "anticipates," "plans," "intends," "projects," "indicates," and similar expressions. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. Many factors could cause results to differ materially from those stated. These factors include, but are not limited to, changes in the laws, regulations, policies and economic conditions of countries in which the company does business; competitive pressures; successful integration of structural changes, including acquisitions, divestitures and alliances; research and development of new products, including regulatory approval and market acceptance, and seasonality of sales of agricultural products.

Significant demand growth



Source: LMC, UNICA, Bioagência, BP Biofuels Analysis | (*) RFS2 considers Advanced Others category only

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Strong supply growth required



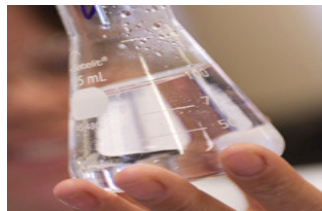
Crushing (million tons)

2010/11

620

2020/21

1350



Ethanol (billion liters)

27,4

80



Mills (operating units)

439

625



Total Area (million ha)

10,2

21,5

Sources and analysis:

UNICA (Actuals and Forecast); EtOH estimation to supply Brazil Full Potential (source: UNICA, LMC, Bioagencia); Mills: Agriculture Ministry. New mills projection consider 4 MT units. Total area was calculated using avg productivity from UNICA, historical yield gains of (1,3% yy from CTC and legal reserves estimated at 20%..

Long lead time to react



Cane field renewal

Brownfield expansion

Greenfield construction

0

1

2

3

4 years



Challenges



Investment flow
Infrastructure
Regulation
Sustainability



BP Biofuels investment strategy



	In operation	2011-12	2013+
Sugar cane ethanol	Tropical BioEnergia refinery, Brazil	CNAA, Brazil	
Wheat-to-ethanol		Commercial plant, Hull, UK	
Cellulosic ethanol	Demonstration plant, Louisiana, US		Commercial plant, Florida, US
Biobutanol	Demonstration plant, UK		Commercial plant
Research and Development	Ongoing R&D at BP Biofuels technology center, San Diego, at the Energy Biosciences Institute and with partners including Martek.		

