

MEDIA RELEASE

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Reliance and BP to create major world-class fuels partnership for India's fast-growing market

- *Expanding partnership into fuel and convenience retailing and aviation fuels in India*
- *Rapidly expanding the existing nationwide network of fuel retailing outlets to 5,500*
- *Delivering high-quality, modern service for India's consumers, with differentiated sites, fuels, and convenience offers.*

BP and Reliance Industries Limited (RIL) today announced that they have agreed to form a new joint venture that will include a retail service station network and aviation fuels business across India. Building on Reliance's existing Indian fuel retailing network and an aviation fuel business, the partners expect the venture to expand rapidly to help meet the country's fast-growing demand for energy and mobility.

This is a further development of RIL and BP's longstanding partnership, which began in 2011 and expanded in 2017 including agreement to seek options to work together to develop differentiated fuels and mobility businesses.

India is expected to be the fastest-growing fuels market in the world over the next 20 years, with the number of passenger cars in the country estimated to grow almost six-fold over the period. RIL and BP's venture will incorporate and build on RIL's current fuel retailing network of over 1,400 sites across India, which the partners aim to grow rapidly to up to 5,500 sites over the next five years.

This joint venture will also include RIL's aviation fuels business, which currently operates at over 30 airports across India, providing participation in this rapidly-growing market.

Mukesh Ambani, Chairman and Managing Director of Reliance Industries Limited, and Bob Dudley, Group Chief Executive of BP, signed heads of agreement for the venture in Mumbai today.

Mukesh Ambani said: "We are delighted to expand our partnership with BP, one of the global leaders in the fuel-retailing sector. This partnership is a testimony to the strong ties between BP and Reliance. Our robust partnership in developing gas resources in India has now expanded to fuel retailing and aviation fuels. This transformative partnership will deepen our engagement with the consumers in further enhancing the world-class services across the country."

Bob Dudley said: “India is set to be the world’s largest growth market for energy by the mid-2020s. BP is already a large investor here and we see further attractive, strategic opportunities to support this growth. We are working closely with Reliance to develop India’s gas resources, helping meet the country’s demand for that key fuel. Together we will work to provide consumers across India the high-quality fuels, convenience retail and services they need, continuing to drive modernisation and mobility solutions across the country.”

The partners have agreed to set up a new joint venture company, held 51% by RIL and 49% by BP, that will assume ownership of RIL’s existing Indian fuel retail network and access its aviation fuel business. It is anticipated that final agreements will be reached during 2019 and, subject to regulatory and other customary approvals, the transaction will be complete in the first half of 2020.

The new venture will seek to offer Indian consumers high-quality differentiated fuels and services at its network of sites, benefitting from RIL’s extensive retail business experience and market-leading access and digital connection to consumers through its Jio digital platform.

BP will bring its international experience in convenience and fuel retailing and aviation operations. Castrol lubricants will also be available across the venture’s network.

The venture will seek to expand its reach, broadening access through mobile fuelling units and providing packaged fuels to customers, including home-delivery.

The venture is also expected to benefit from access to competitive fuels supplies from RIL’s Jamnagar refining complex in Gujarat on the west coast of India, the world’s largest refinery complex.

After initial co-operation from 2008 in exploration offshore India, BP and RIL entered into their current partnership in 2011 when BP acquired a 30% interest in RIL’s portfolio of exploration and production interests offshore India, including the major producing KG D6 gas-producing block off the east coast. More recently, since 2017 the partners have sanctioned three new gas developments in the KG D6 block.

Notes to editors:

BP and RIL:

- In an historic partnership with RIL, in 2011 BP took a 30% stake in multiple oil and gas blocks in India operated by RIL, including the producing KG D6 block.
- Since formation of this partnership in 2011, the two companies have invested over \$2 billion in deep-water exploration and production to date. In addition to the D55 gas discovery announced in 2013, the partnership has combined BP’s technology and skills with RIL’s execution and operational capability to sustain production from the geologically complex reservoirs in D1D3 in KG D6. This has included the deployment of world-leading technologies for production from deep-water gas fields for the first time in India.

- The partners have recently sanctioned three new developments in the KG D6 block: the 'R-Series' fields in 2017, the Satellites cluster in 2018 and the MJ project earlier this year. With total investment of around \$5 billion, development of the three projects together is expected produce a total of around 1 billion cubic feet of gas a day. The first project, the R-Series development, is expected onstream in 2020.
- India Gas Solutions Private Limited, a 50:50 joint venture to source and market gas in India, is also part of BP's gas value chain alliance with RIL.

BP in India:

- With its many investments in India and employing around 7,500 people in the oil, gas, lubricants and petrochemicals businesses, BP is one of the largest international energy companies in India. In addition to its gas value chain alliance with Reliance Industries Ltd., BP's activities include Castrol lubricants; the licensing of competitive petrochemical technologies; oil and gas trading; clean energy projects through investment in Lightsource BP; IT and procurement back office activities; staffing and training for BP's global marine fleet; and the recruitment of skilled Indian employees for its global businesses.

About Reliance Industries Limited (RIL):

- RIL is India's largest private sector company, with a consolidated turnover of INR 622,809 crore (\$90.1 billion), cash profit of INR 64,478 crore (\$ 9.3 billion), and net profit of INR 39,588 crore (\$5.7 billion) for the year ended March 31, 2019. RIL's activities span hydrocarbon exploration and production, petroleum refining and marketing, petrochemicals, retail and digital services.
- RIL is the top most ranked company from India to feature in Fortune's Global 500 list of 'World's Largest Corporations' – currently ranking 106th in terms of both revenues and profits. The company stands 71st in the 'Forbes Global 2000' rankings for 2019 – top-most among Indian companies. It ranks 10th among LinkedIn's 'The Best Companies to Work For In India' (2019).

Further Information

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