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BP to slash 10,000 jobs to save US\$2.5bn amid oil price slump

BP PLC (LON:BP.) is to cut 10,000 jobs to save US\$2.5bn per year as the industry grapples with the oil price slump.

Chief executive Bernard Looney said most of them, representing 15% of its workforce, will be sacked by the end of the year, though he noted "we will likely have to go even further".

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The FTSE 100-listed firm is planning to chop 25% of its capital expenditure this year, saving US\$3bn.

Running the oil giant costs US\$22bn per year, US\$8bn of which are related to staff.

"The majority of people affected will be in office-based jobs," he told employees in a webcast.

"We are protecting the frontline of the company and, as always, prioritizing safe and reliable operations."

Those who wish to voluntarily leave the company were invited to submit a request next week.

Looney, who took the top job in February, said the restructuring was needed to cope with a ballooning debt pile as a result of the oil price crisis.

He said that net debt rose by US\$6bn in the first quarter.

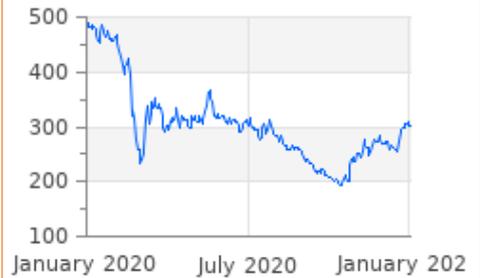
In April, the firm reported a record US\$4bn quarterly loss but maintained the dividend at 10.5 cents per share.

Shares rose 2% to 370.3p on Monday afternoon.

Price: 301.25

Market Cap: £61.29 billion

1 Year Share Price Graph



Share Information

Code: BP.

Listing: LSE

52 week High Low
508.7 188.52

Sector: Oil & Gas

Website: www.bp.com

Company Synopsis:

BP is one of the world's largest oil and gas companies with operations in more than 100 countries across six continents.

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