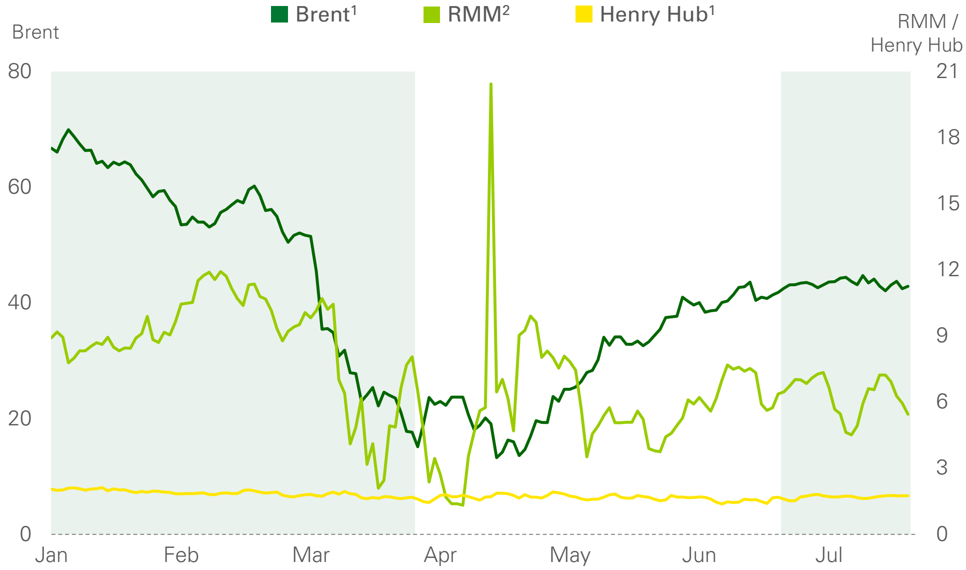
Murray Auchincloss
CFO

Thanks Bernard.

Environment

Commodity prices $/bbl / $/mmbtu



- 2Q average Brent oil price 40% lower than 1Q
- BP's 2Q average RMM 33% lower than 1Q
- 2Q US refinery utilisation ~70%, ~19% lower y-o-y
- 2Q average Henry Hub gas price lowest in 25 years

(1) Source: Platts
(2) Refining Marker Margin (RMM) based on BP's portfolio

All data 1 January 2020 to 31 July 2020 12

Starting first with the environment.

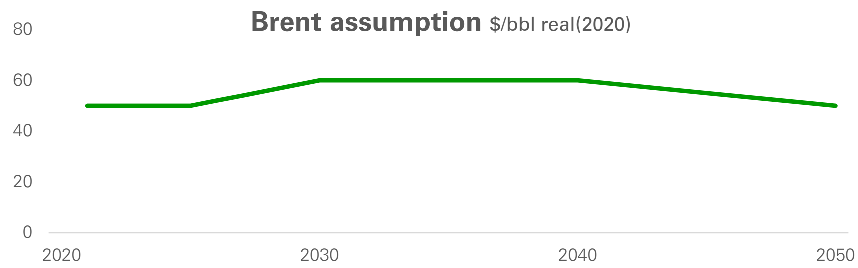
The COVID-19 pandemic continues to create a volatile and challenging trading environment, with Brent crude prices falling by over a third in the first half of the year.

Having recovered from $19 through April, Brent averaged $30 in the second quarter, supported by OPEC plus production cuts and some recovery in demand. Prices remain materially below both the first quarter average of $50 and the full year 2019 average of $64.

The refining environment also remains extremely challenged. BP's refining marker margin averaged $5.90 in the second quarter, compared with $15.20 a year ago, reflecting sharply reduced product demand and significantly lower industry refining utilisation.

Turning finally to gas markets where the weaker economy has further reduced demand and worsened the pre-existing oversupply in the market. US Henry Hub gas prices averaged $1.70 through the quarter, the lowest in 25 years. NBP and JKM averaged $1.60 and $2.10.

Long-term price assumptions and exploration review



Impact on 2Q 2020 results

- $16.8bn reported loss
  - $6.7bn on an underlying RC basis
- $11.8bn net impairment[1] charges, $8.5bn post tax
  - $11.1bn in Upstream[1]
  - $0.7bn in Downstream
- $9.6bn pre-tax exploration write offs, $8.1bn post tax
  - $7.7bn is reflected in the underlying result, $6.5bn post tax

(1) Impairment charges exclusive of equity accounted assets

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Turning to our results.

In June we updated our long-term price assumptions, lowering Brent to an average of around $55 and Henry Hub to an average of $2.90, in 2020 real terms. As a result of these revised assumptions, and a review of our intent to develop some of our exploration prospects, our reported results include significant impairment charges and exploration write offs, contributing to bp’s second quarter reported loss of $16.8 billion.

The impairment charge of $11.8 billion and $2 billion of the exploration write offs are non-operating charges, with the underlying result including $7.7 billion of pre-tax exploration write-off charges.

After adjusting for other non-operating items, inventory gains, and resulting tax credits, bp’s underlying replacement cost loss for the second quarter was $6.7 billion.

2Q 2020 underlying results summary

$bn	2Q19	1Q20	2Q20
Underlying replacement cost profit	2.8	0.8	(6.7)
Underlying operating cash flow[1]	8.2	1.2	4.8
Underlying RCPBIT[2]			
Upstream	3.4	1.9	(8.5)
Downstream	1.4	0.9	1.4
Rosneft[3]	0.6	(0.0)	(0.1)
Other businesses and corporate	(0.3)	(0.6)	(0.3)
Underlying earnings per share (cents)	13.8	3.9	(33.0)
Dividend paid per share (cents)	10.25	10.50	10.50
Dividend declared per share (cents)	10.25	10.50	5.25

2Q 2020 vs 1Q 2020

- $6.5bn post-tax exploration write-offs
- Lower oil and gas realisations
- Weaker refining margins
- Demand destruction in Downstream
- Partially offset by exceptionally strong oil trading

(1) Underlying operating cash flow is net cash provided by/(used in) operating activities excluding post-tax Gulf of Mexico oil spill payments
(2) Replacement cost profit before interest and tax (RCPBIT), adjusted for non-operating items and fair value accounting effects
(3) BP estimate of Rosneft earnings after interest, tax and minority interest

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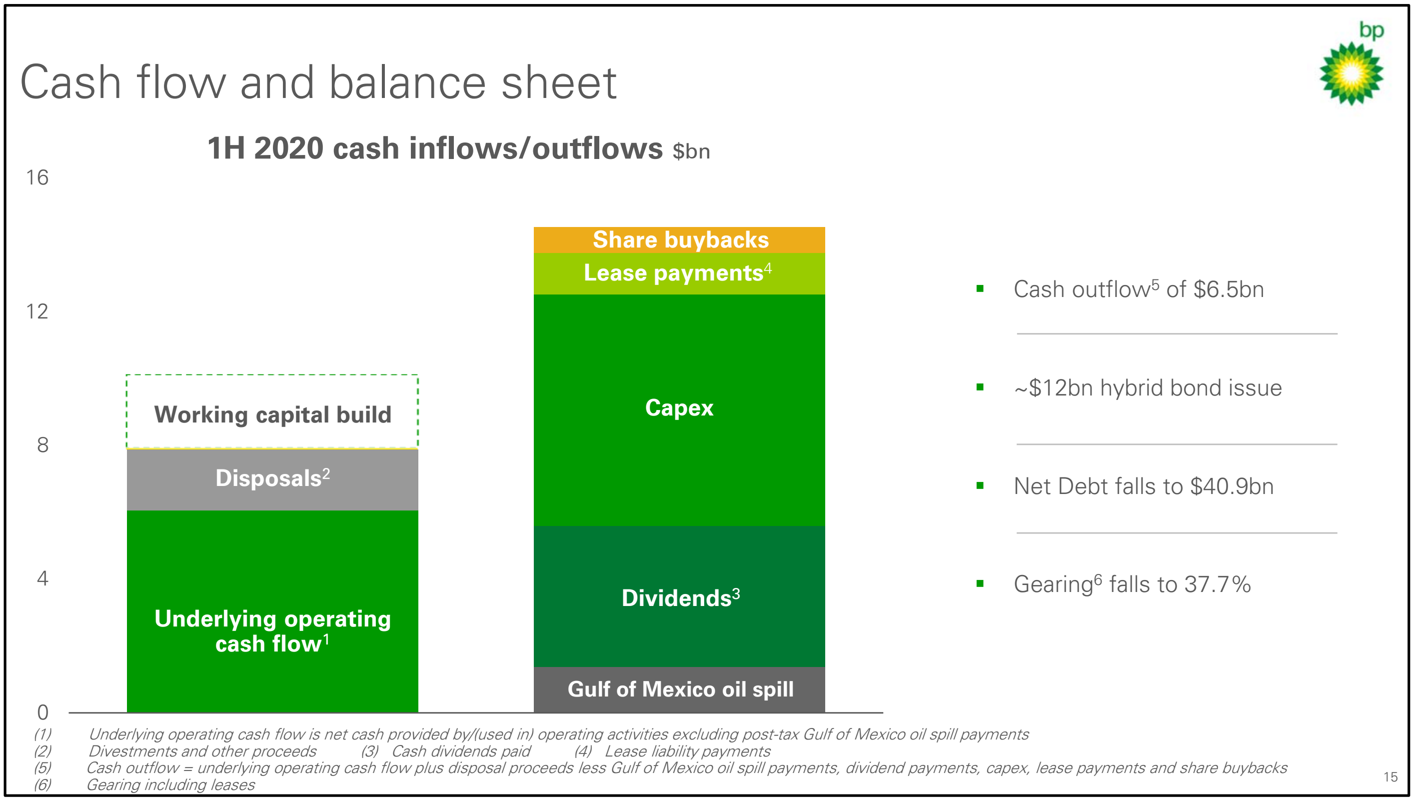
Looking in more detail at bp's underlying results, we reported a second quarter underlying replacement cost loss of $6.7 billion, compared to a profit of $0.8 billion in the first quarter.

Compared to the first quarter this reflects the exploration write-off impact, lower liquids and gas realisations, weaker industry refining margins, and demand destruction in the Downstream due to COVID-19. This was partly offset by an exceptionally strong contribution from oil trading.

bp's effective tax rate in the second quarter was significantly lower primarily due to the effect of limited tax relief on the exploration write-offs in certain jurisdictions.

The second quarter dividend, payable in the third quarter has been set at 5.25 cents per ordinary share.



Turning to cash flow and our balance sheet.

As of the second quarter we have combined our organic and inorganic sources and uses of cash to be consistent with the new financial framework that I'll come onto discuss later.

Excluding Gulf of Mexico oil spill related outgoings, bp's underlying operating cash flow was $6.1 billion for the first half. This included a reduction in working capital of $1.5 billion for the second quarter and a build of $2.2 billion for the first half.

Capital expenditure for the first half of the year was $6.9 billion and lease liability payments were $1.2 billion. We paid $4.2 billion dollars in dividends for the half year. In addition, in the first quarter we completed our share buyback at a cost of $0.8 billion. Divestment and other proceeds totalled $1.8 billion for the half year; and we made post-tax Gulf of Mexico oil spill payments of $1.4 billion. bp's cash outflow was $6.5 billion for the first half.

We have also continued to focus on strengthening our balance sheet. During the second quarter bp issued $11.9 billion of hybrid bonds, and at the end of the first half bp's net debt was $40.9 billion, 10% lower than at the end of 2019.

We have taken the decision to adjust gearing to include the impact of leases as of the second quarter. On that basis gearing fell 2.4% to 37.7% compared to last quarter. This included the impact of the issuance of the hybrid bond on net debt and equity, and the reported loss in the quarter.

2020 guidance

Third quarter

Upstream

Lower reported production expected, reflecting:

- Divestment of the Alaska business
- Price impacts on entitlement volumes

Downstream

- Higher product demand, albeit still significantly below last year's levels
- Continued significant pressure on industry refining margins

Full year

Upstream production excluding Rosneft	Lower than 2019[1]
Organic capital expenditure	~$12bn
DD&A	~10% lower than 2019
Gulf of Mexico oil spill payments	~$1.5bn
OB&C[2] underlying quarterly charge	~$350m

(1) Underlying production. The actual reported number will depend on divestments, OPEC quotas, and other factors *(2) OB&C: Other businesses and corporate* 16

Turning to the outlook and our guidance. Global GDP is expected to contract this year by between 4% and 5%. Global oil demand is expected to be around 8-9 million barrels per day lower than 2019, with OECD oil stocks above their five-year range. And gas markets are likely to remain materially oversupplied.

Looking at our full year guidance.

We now expect the post-tax charge for the Gulf of Mexico oil spill payments to be around $1.5 billion in 2020, as the much weaker environment results in a deferral of tax credits. Our pre-tax estimate for the year remains unchanged.

We now expect 2020 full year DD&A to be around 10% lower than 2019. This includes the impacts of capital interventions and curtailments on production, divestments and impairments.

Following the recent announcement of around 10,000 job reductions, the majority of which are expected to occur by the end of 2020, we expect to take a restructuring charge in 2020 of around $1.5 billion.

2020 major project start-ups remain on track, and we now expect the Ghazeer project in Oman to start up this year – ahead of schedule.

Looking at the third quarter.

In the Upstream we expect reported production to be lower than the second quarter reflecting divestment of the Alaska business and price impacts on entitlement volumes.

While in the Downstream, we expect higher product demand, albeit still significantly below last year's levels. We also expect significant continued pressure on industry refining margins into the third quarter.

Looking at the third quarter so far, retail fuel demand has recovered to around 10-15% below a year ago, however aviation fuel demand has remained more than 70% lower than a year ago. And despite demand impacts, store sales at our retail sites have increased year on year on a like for like basis, and have remained resilient throughout July.

In summary, I want to acknowledge the tough set of results that we have reported in what has been a challenging quarter. We remain focused on driving down costs, managing capital within a disciplined frame, and strengthening our balance sheet. The lessons learned have informed the development of our new strategy, and the ongoing work we have done to create a stronger, more resilient financial frame. I will come back to talk about this later. But for now, let me hand back to Bernard.