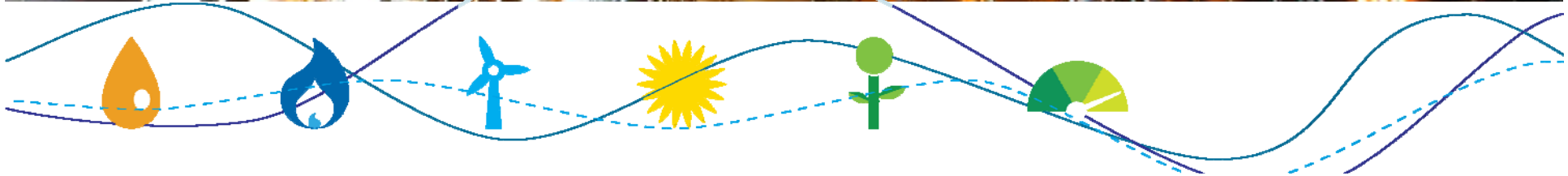


# 1Q 2010 Results Presentation

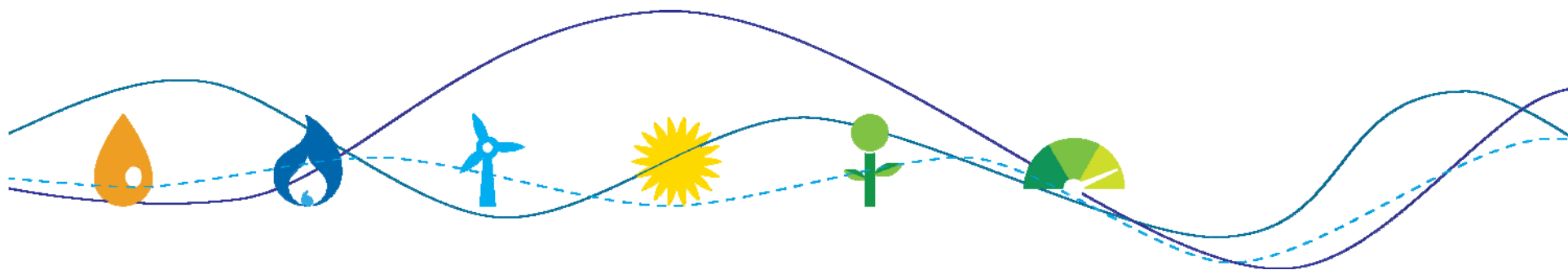
27<sup>th</sup> April 2010





# Fergus MacLeod

Head of Investor Relations





# Cautionary Statement

## Forward Looking Statements - Cautionary Statement

This presentation and the associated slides and discussion contain forward-looking statements, particularly those regarding production, second quarter turn-around activities and the effect on volumes, costs and margins; our refining and petrochemical margins; second quarter Refining & Marketing turnaround activities; expected supply and trading contribution in the second quarter; organic capital expenditure; divestment proceeds and timing; dividend and availability of scrip dividend; expected underlying quarterly charges for Other business & corporate; capital efficiency generated by the Centralized Developments Organization; long-term growth potential and access to high-margin barrels leveraged to the oil price through the Devon transaction and group strategy (including our focus on upstream profit growth, cost and capital efficiency, downstream turnaround and cost efficiency, focus and disciplined investment in Alternative Energy and corporate efficiency). By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will or may occur in the future. Actual results may differ from those expressed in such statements, depending on a variety of factors, including the timing of bringing new fields on stream; future levels of industry product supply; demand and pricing; OPEC quota restrictions; PSA effects; operational problems; general economic conditions; political stability and economic growth in relevant areas of the world; changes in laws and governmental regulations; regulatory or legal actions; exchange rate fluctuations; development and use of new technology; changes in public expectations and other changes in business conditions; the actions of competitors; natural disasters and adverse weather conditions; wars and acts of terrorism or sabotage; and other factors discussed elsewhere in this presentation. For more information you should refer to our Annual Report and Accounts 2009 and our 2009 Annual Report on Form 20-F filed with the US Securities and Exchange Commission.

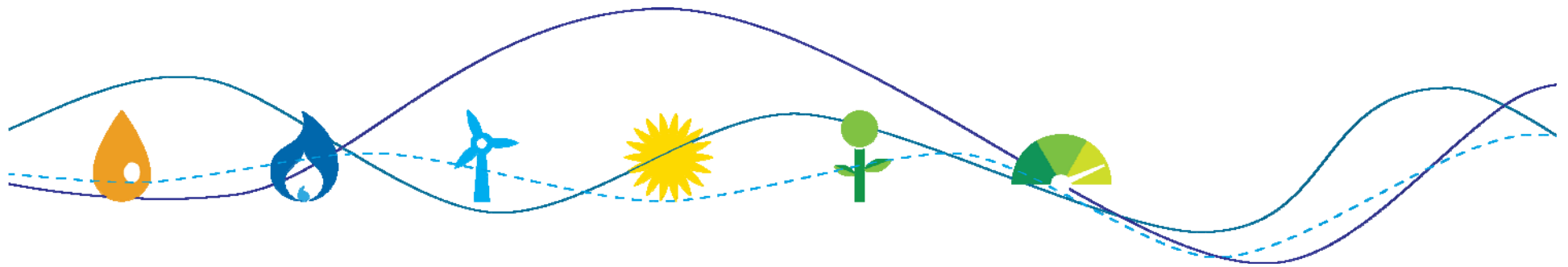
**Reconciliations to GAAP** - This presentation also contains financial information which is not presented in accordance with generally accepted accounting principles (GAAP). A quantitative reconciliation of this information to the most directly comparable financial measure calculated and presented in accordance with GAAP can be found on our website at [www.bp.com](http://www.bp.com)

**Cautionary Note to US Investors** - We use certain terms in this presentation, such as “resources” and “non-proved reserves”, that the SEC’s rules prohibit us from including in our filings with the SEC. U.S. investors are urged to consider closely the disclosures in our Form 20-F, SEC File No. 1-06262. This form is available on our website at [www.bp.com](http://www.bp.com). You can also obtain this form from the SEC by calling 1-800-SEC-0330 or by logging on to their website at [www.sec.gov](http://www.sec.gov).

April 2010



**Byron Grote**  
Chief Financial Officer





# Trading environment

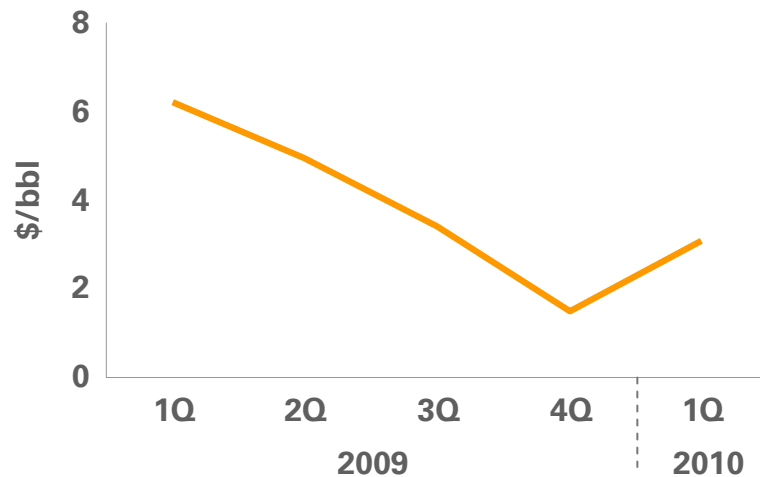
**Liquids realization**



**Gas realization**



**Refining indicator margin**



**Average realizations**

**Change vs 1Q09**

<b>Liquids \$/bbl</b>	<b>74%</b>
<b>Natural gas \$/mcf</b>	<b>17%</b>
<b>Total hydrocarbons \$/boe</b>	<b>57%</b>
<b>Refining indicator margin \$/bbl</b>	<b>(50)%</b>

# Financial results

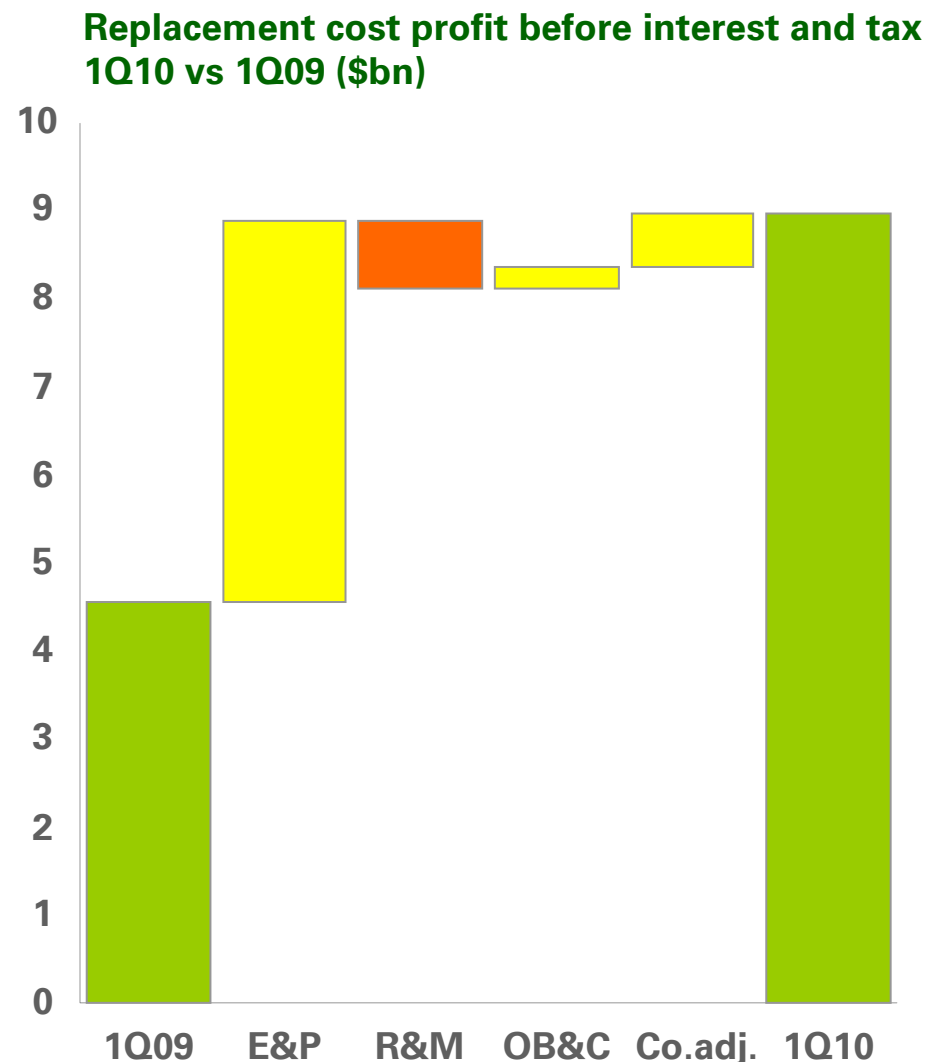
All earnings figures are adjusted for non-operating items and fair value accounting effects



(\$bn)	1Q09	1Q10
Exploration & Production	3.9	8.2
Refining & Marketing	1.5	0.8
Other businesses & corporate	(0.4)	(0.2)
Consolidation adjustment	(0.4)	0.2
<b>Replacement cost profit before interest and tax</b>	<b>4.6</b>	<b>9.0</b>
Interest & minority interest	(0.4)	(0.3)
Tax	(1.6)	(3.0)
<b>Replacement cost profit</b>	<b>2.6</b>	<b>5.6</b>

<b>Earnings per share (\$c)</b>	<b>13.8</b>	<b>30.1</b>
---------------------------------	-------------	-------------

<b>Cash from operations (\$bn)</b>	<b>5.6</b>	<b>7.7</b>
<b>Dividend paid (\$bn)</b>	<b>2.6</b>	<b>2.6</b>
<b>Organic capital expenditure (\$bn)*</b>	<b>4.6</b>	<b>3.8</b>
<b>Dividend per share (\$c)</b>	<b>14.0</b>	<b>14.0</b>



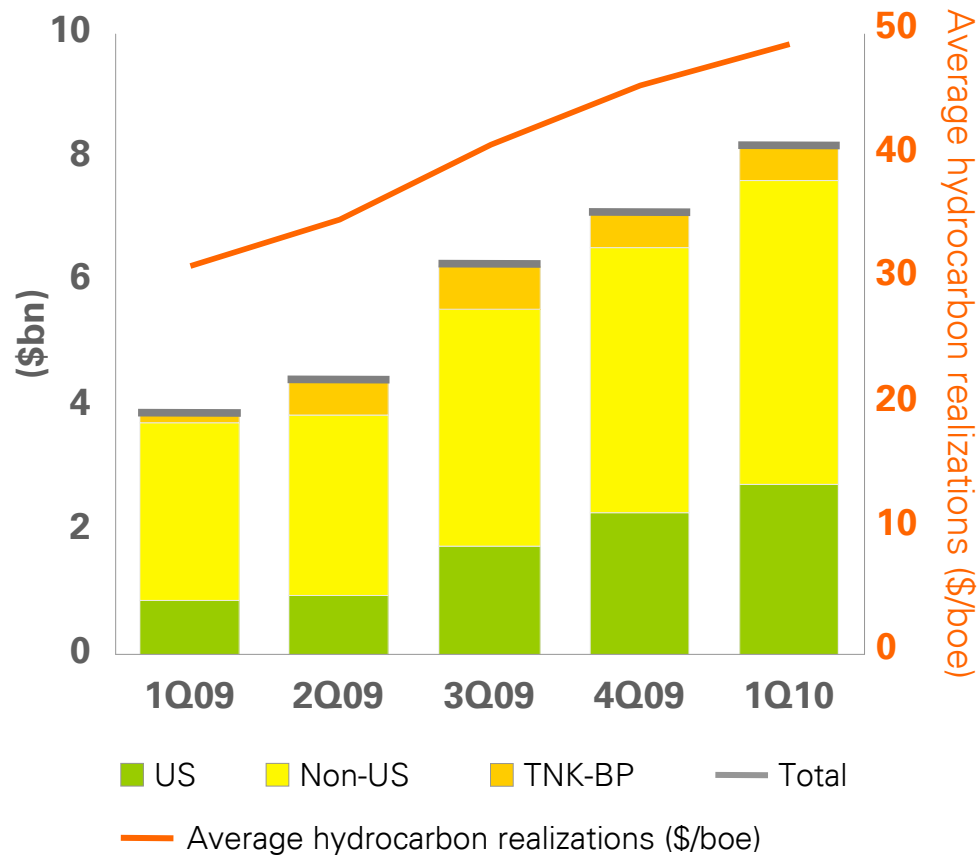
\* Organic capital expenditure excludes acquisitions and asset exchanges and the accounting for our transaction with Value Creation Inc



# Exploration & Production

## Pre-tax replacement cost profit

Adjusted for non-operating items and fair value accounting effects



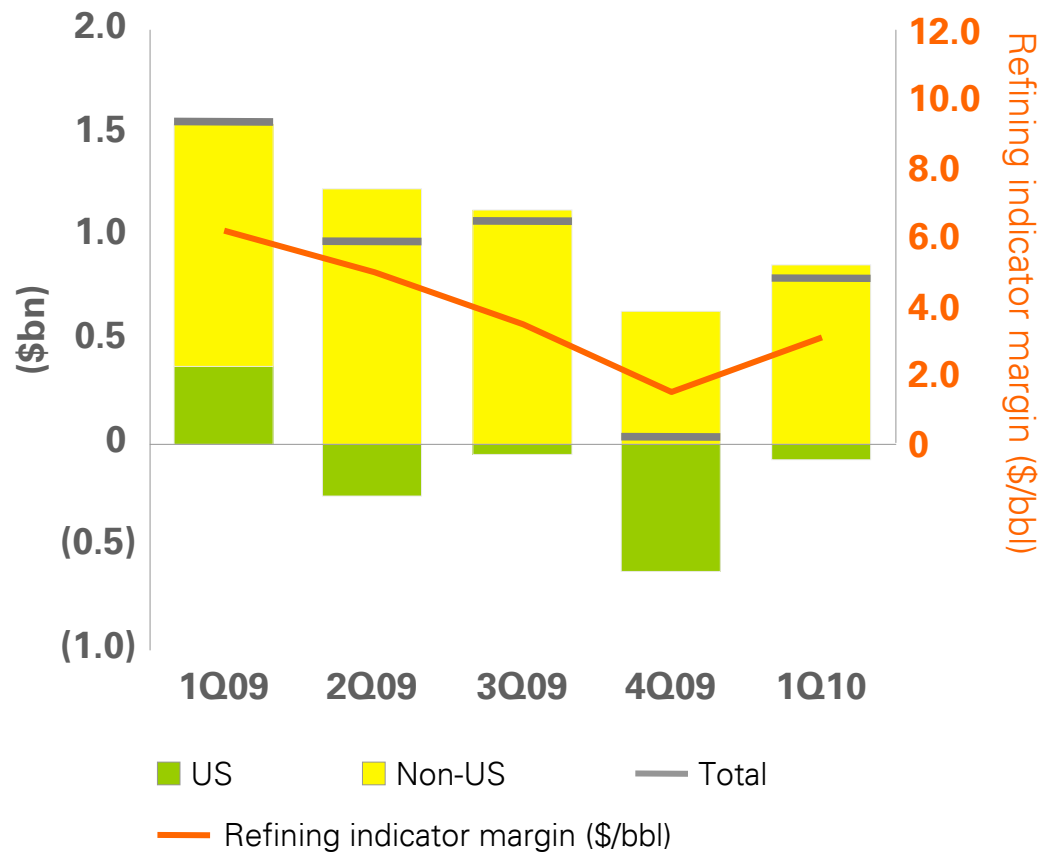
- Stronger environment
- Reported production broadly flat – underlying up 1%
- Unit production costs down 3%
- Higher DD&A in line with guidance



# Refining & Marketing

## Pre-tax replacement cost profit

Adjusted for non-operating items and fair value accounting effects



- Weaker refining margins with some recovery from 4Q
- Weak supply and trading contribution
- Further cost efficiencies
- Strong operational performance
- Higher availability, best since 2004
- Continued momentum in the International Businesses

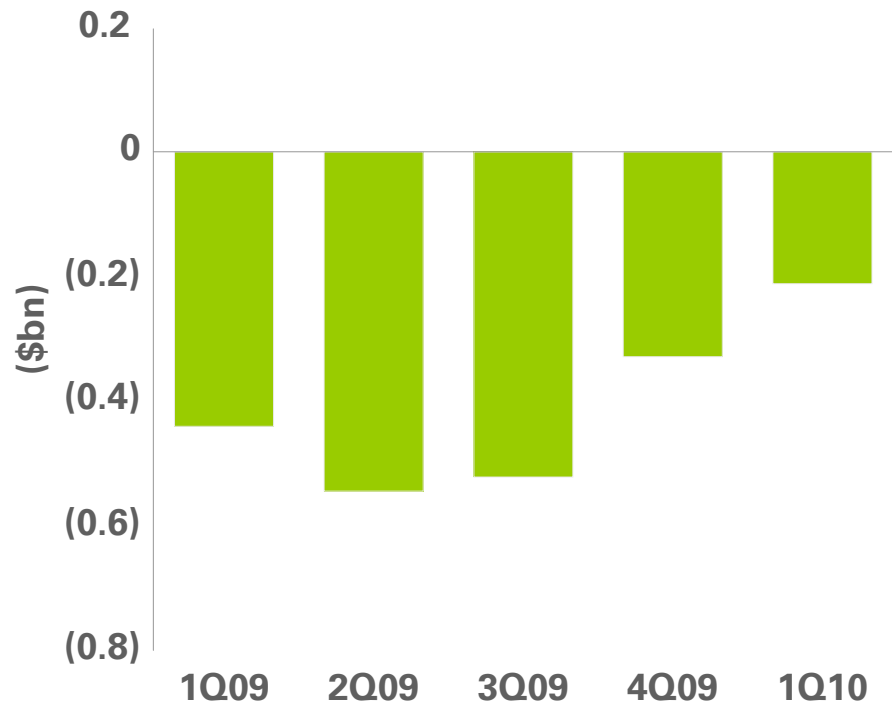




# Other businesses & corporate

## Pre-tax replacement cost profit

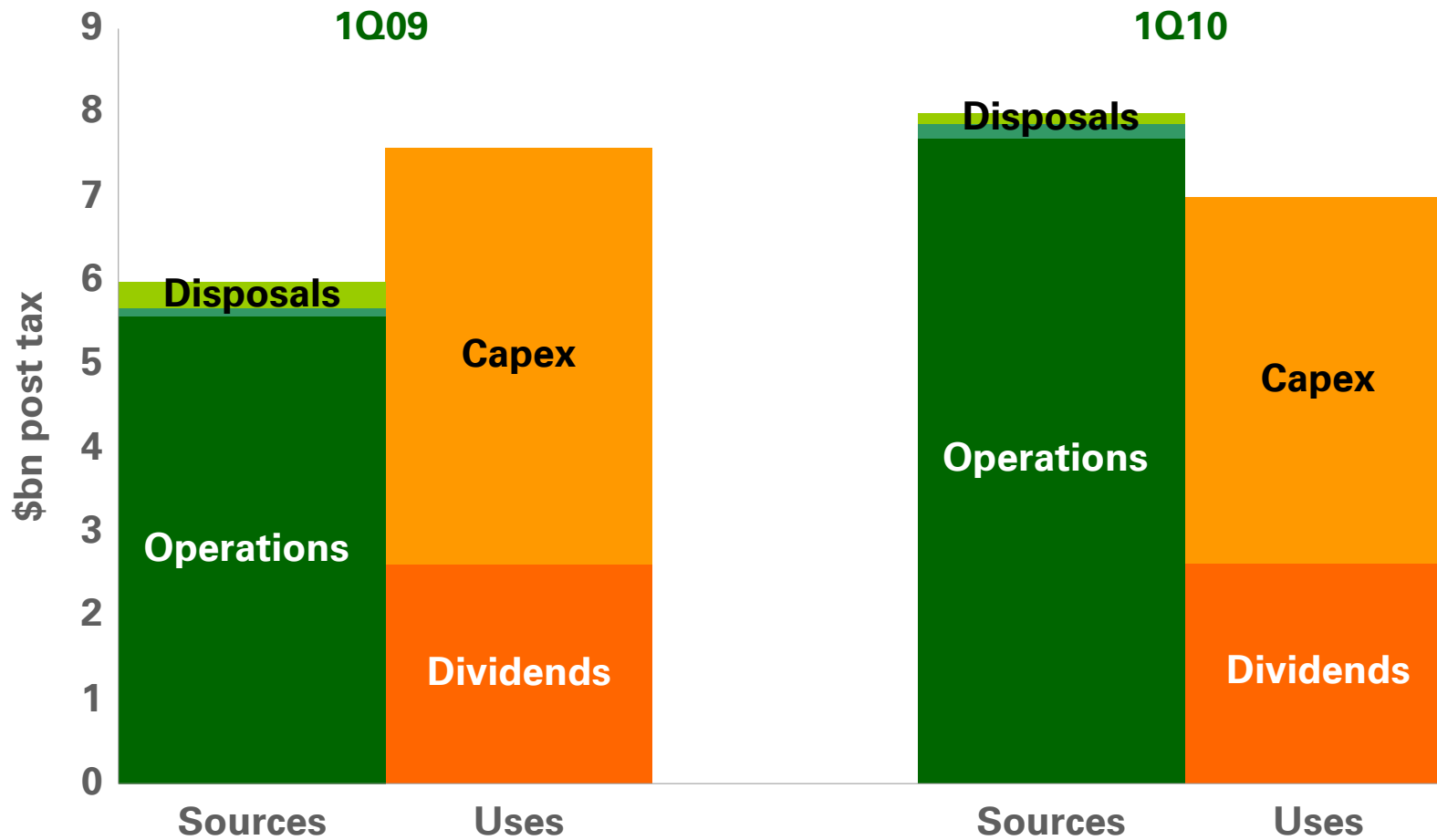
Adjusted for non-operating items and fair value accounting effects



- Favourable foreign exchange effects
- Lower costs
- Guidance remains at \$400 million average underlying quarterly charge

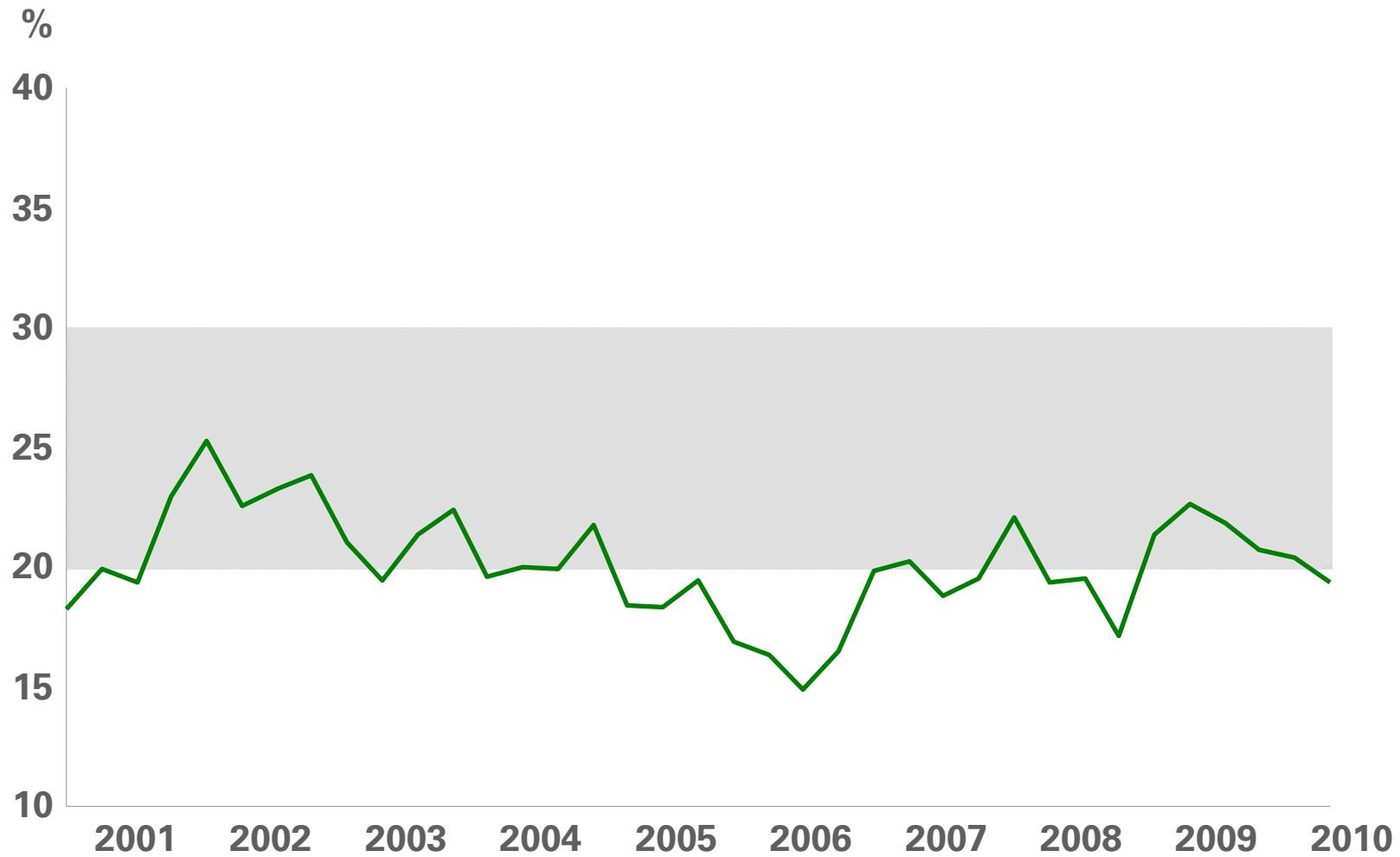


# Sources & uses of cash





# Net debt ratio



*Net debt ratio = net debt / (net debt + equity)*

*Net debt includes the fair value of associated derivative financial instruments used to hedge finance debt*

# 2010 Outlook



	<b>2010 Guidance</b>	<b>1Q10</b>
<b>Production</b>	Slightly lower	Broadly flat
<b>Cash costs*</b> <i>(year-on-year change)</i>	Further reduction	Lower
<b>Organic capital expenditure**</b>	~ \$20bn	\$3.8bn
<b>Divestment proceeds</b>	\$2-3bn	\$0.1bn
<b>Full year effective tax rate</b>	33%-34%	34%

\* Excluding the effects of changes in exchange rates and fuel costs

\*\* Organic capital expenditure excludes acquisitions and asset exchanges and the accounting for our transaction with Value Creation Inc



# Strategy

- **Upstream** profit growth, cost and capital efficiency
- **Downstream** turnaround, cost efficiency
- **Alternative Energy** focused and disciplined
- **Corporate** efficiency

# Q&A



**Byron Grote**  
**Chief Financial Officer**



**Fergus MacLeod**  
**Head of Investor Relations**