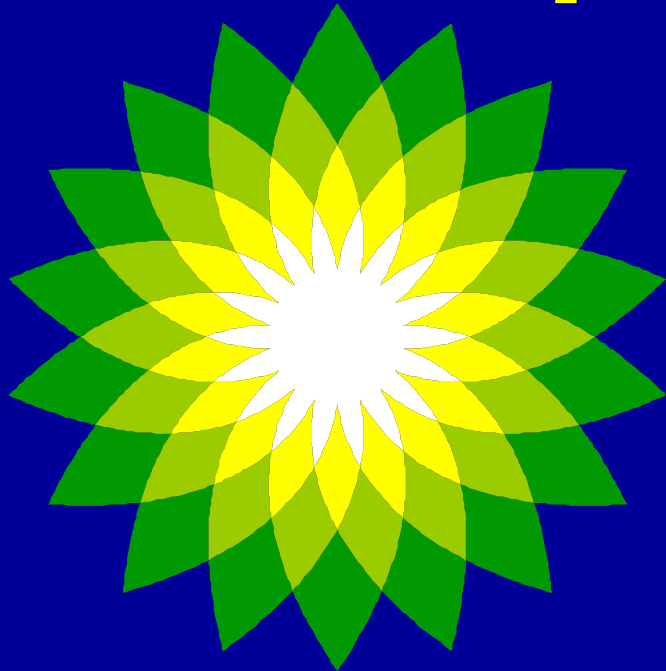


bp



1Q 2005 Results Webcast

Tuesday 26th April 2005

Byron Grote
Chief Financial Officer



Cautionary statement

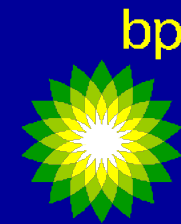
Forward looking statements

This presentation and the associated slides and discussion contain forward looking statements, particularly those regarding BP's asset portfolio and changes to it, capital expenditure, cash generation and increases in cash returns, consumption and production capacity, disposals, dividends, share buybacks and other distributions to shareholders, effective tax rate, future performance, gearing, growth and other trend projections, OB&C full year results, oil prices, performance, production, refining margins, targets, the timing of projects and underlying activities and volumes from production sharing contracts. 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; operational problems; general economic conditions; political stability and economic growth in relevant areas of the world; changes in laws and governmental regulations; exchange rate fluctuations; development and use of new technology; changes in public expectations and other changes in business conditions; successful partnering; 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.

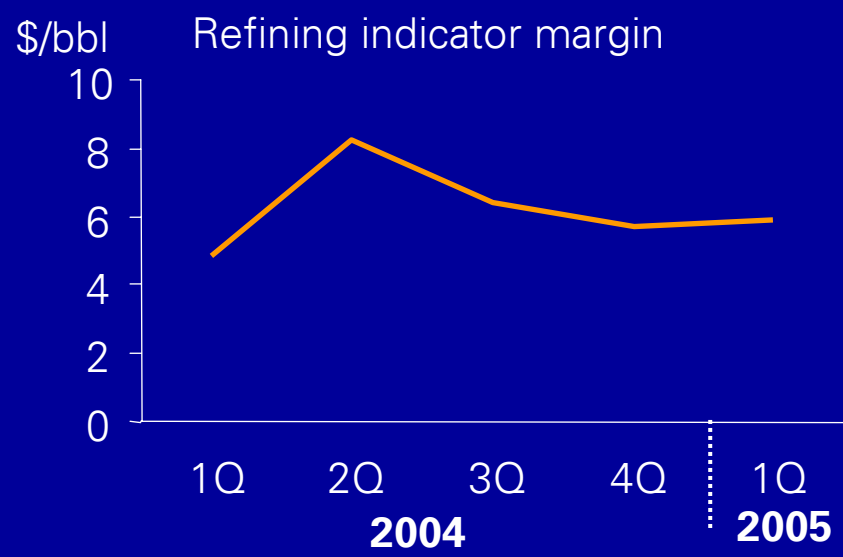
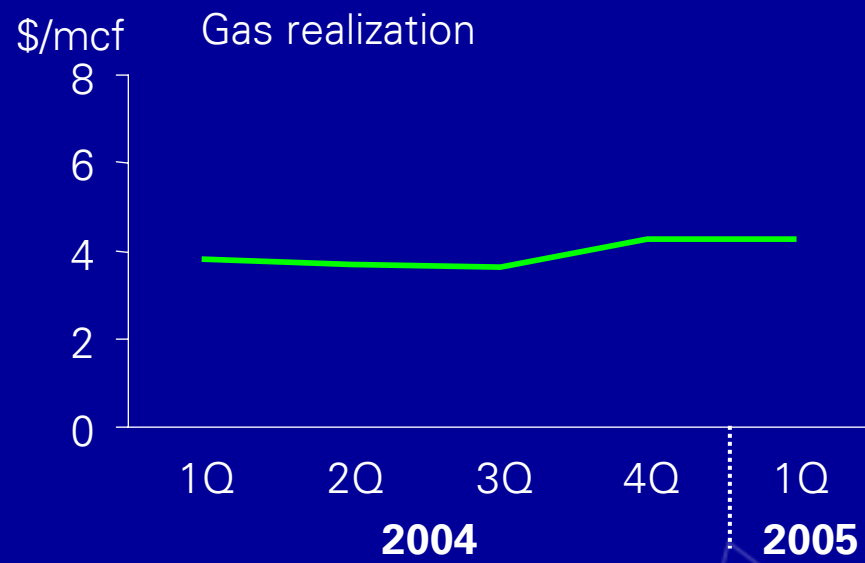
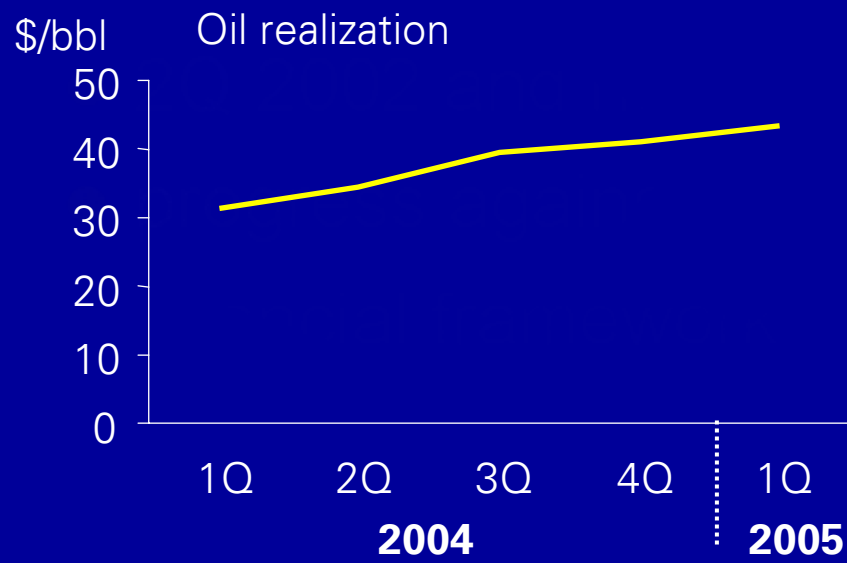
Reconciliations to GAAP

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

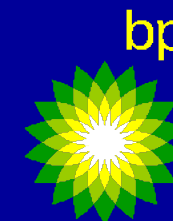
April 2005



Trading environment

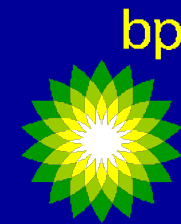


	<u>change vs 2004</u>
Average realizations	1Q
Crude oil \$/bbl	39%
Natural gas \$/mcf	12%
Total hydrocarbon \$/boe	27%
Refining indicator margin \$/bbl	21%



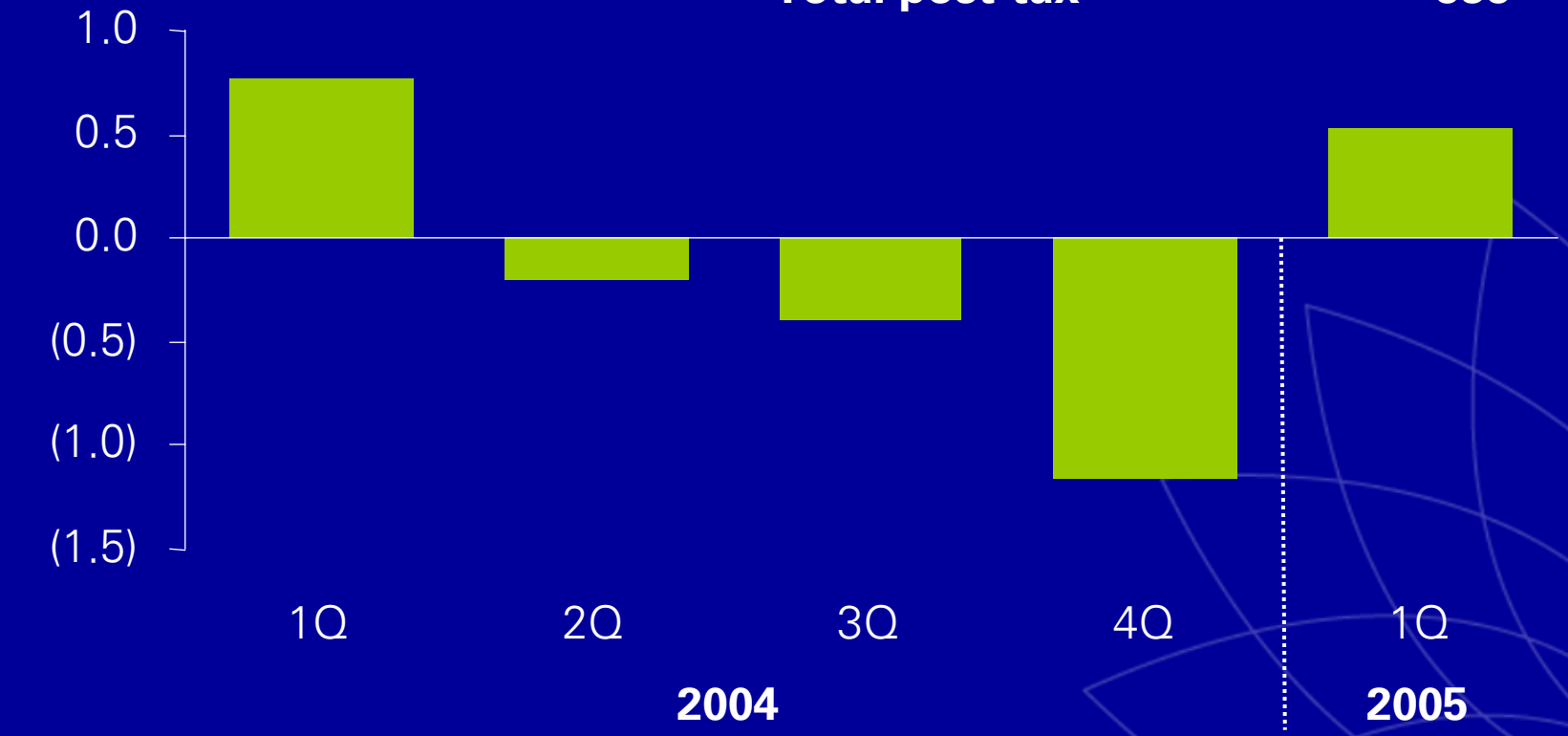
Financial results

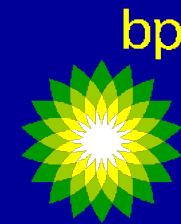
Results for the first quarter	\$bn	change vs 1Q'04
● Profit for the quarter		
▶ Replacement cost profit	5.5	+29%
▶ Profit including inventory gains/losses	6.6	+34%
● Net cash provided by operating activities	9.4	+34%
	¢/ share	
● Dividend to be paid next quarter	8.5	+26%



Non-operating items (NOIs)

\$m	1Q'05
Non-operating items	787
Tax	(252)
<hr/>	
Total post-tax	535





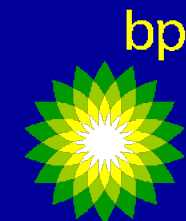
1Q'05 vs 1Q'04 group result

\$bn
post tax



Start-up & repair costs
Turnarounds
Environmental settlement
Tax rate

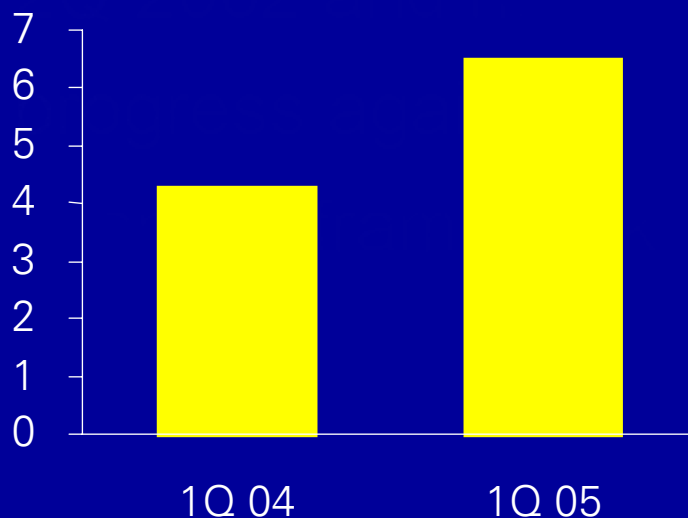
Upstream volumes
Supply optimization
Lubricants
Business marketing



Segment results

\$bn pre-tax*

E&P



NOIs included above

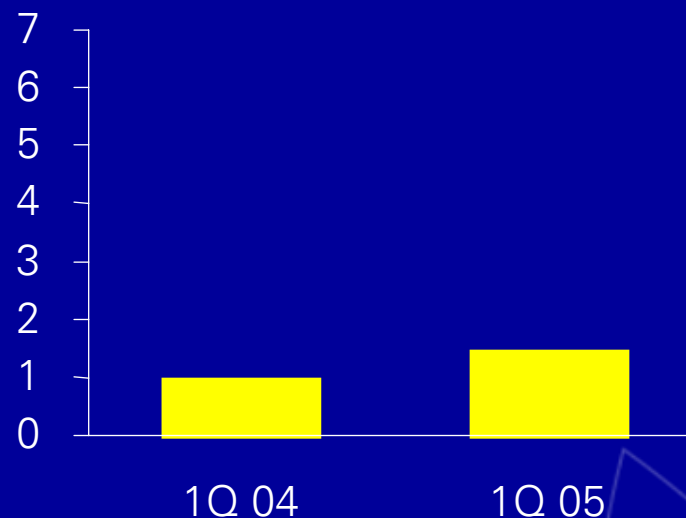
1Q 04
\$25m

1Q 05
\$780m

- Higher realizations
- Increased production volume:
 - ▶ TNK-BP
 - ▶ Deepwater Gulf of Mexico

\$bn pre-tax*

R&M



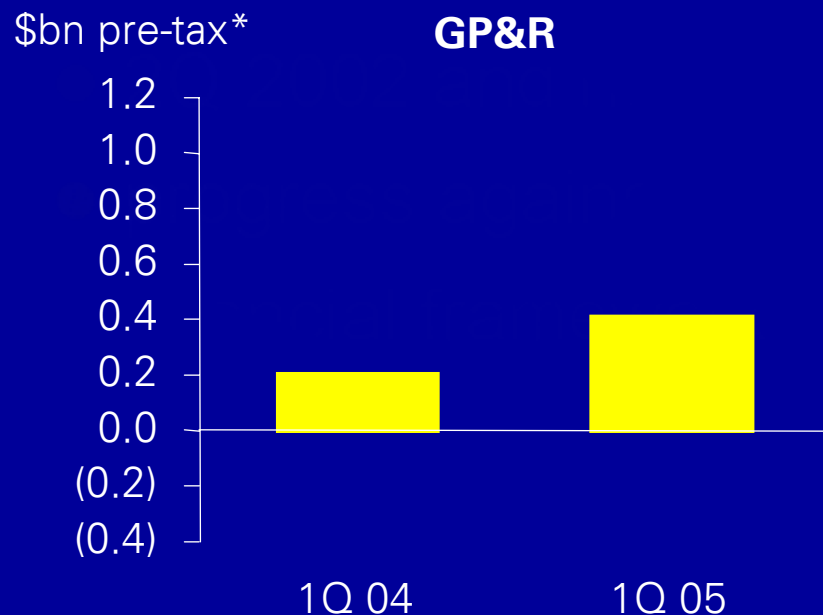
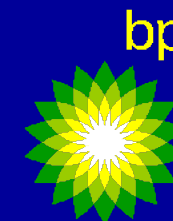
1Q 04
\$(160)m

1Q 05
\$(27)m

- Strong refining margin
- Significantly lower retail marketing margin
- 95% refining availability

*Under IFRS includes profit after interest and tax of equity-accounted entities

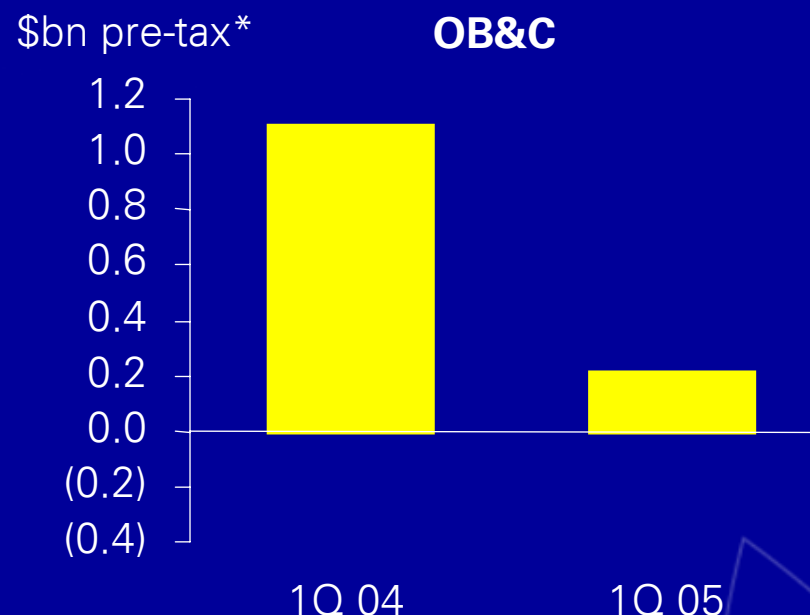
Segment results



NOIs included above

Period	NOI (\$m)
1Q 04	-
1Q 05	\$105m

- Improved NGL margins



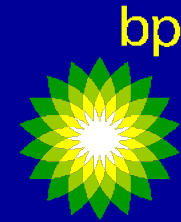
NOIs included above

Period	NOI (\$m)
1Q 04	\$1,257m
1Q 05	\$(71)m

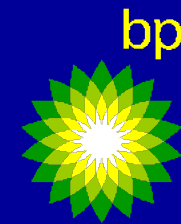
- PetroChina and Sinopec shares disposal in 1Q 04 (NOI)
- Improved Olefins and Derivatives results
- Phasing of Corporate charge

*Under IFRS includes profit after interest and tax of equity-accounted entities

Strategic progress

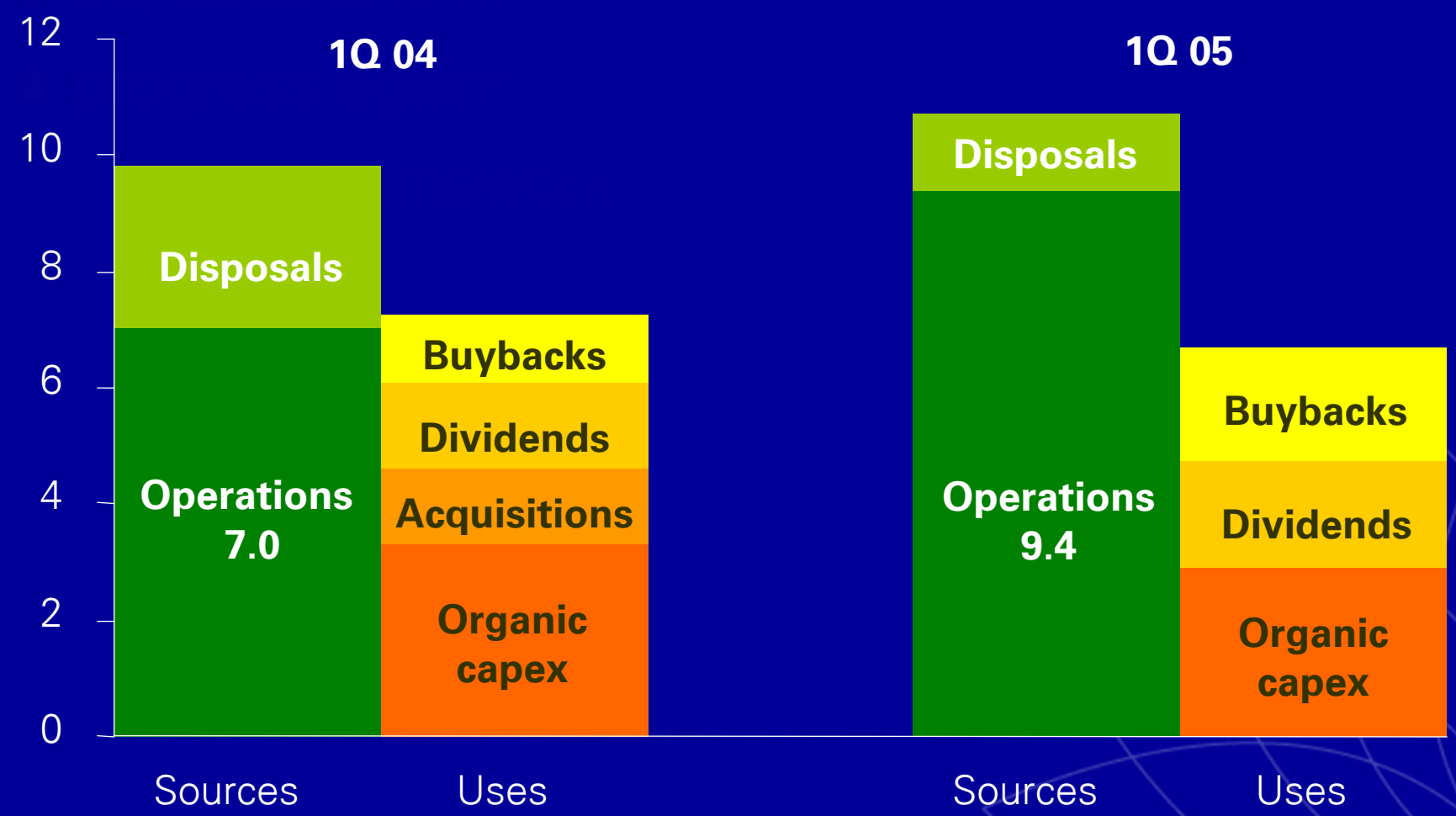


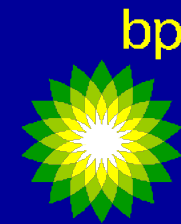
- New discoveries in Angola; new licences in Algeria
- New field start-ups: Mad Dog, Azeri and Clair
- Milestones: Atlantis platform loaded; Thunder Horse moved to location
- Projects sanctioned: Tangguh in Indonesia; Saqqara gas field in Egypt
- Acetic acid joint venture contract signed with Sinopec
- Shanghai SECCO petrochemicals plant start-up
- Innovene established



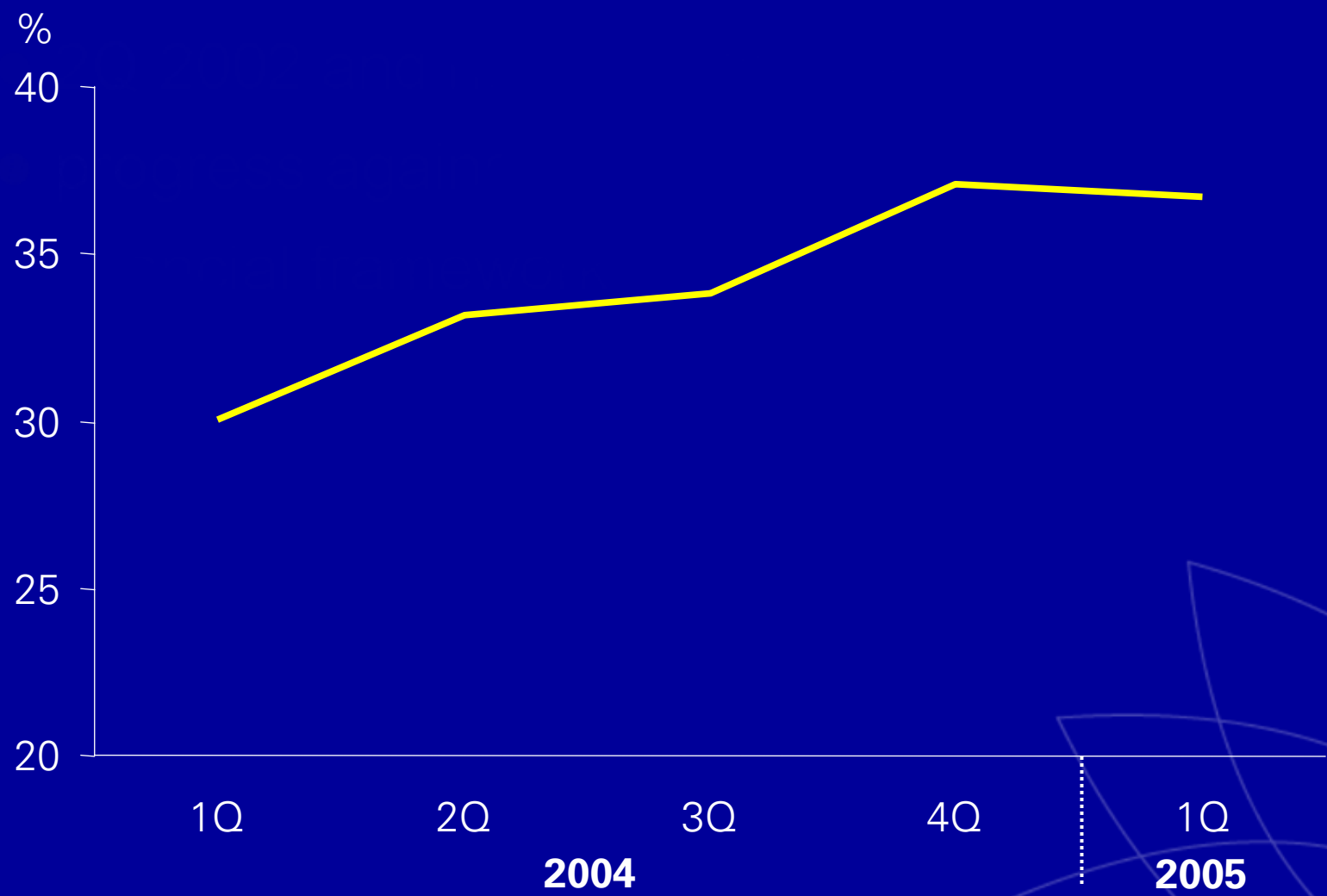
Sources and uses of cash

\$bn post tax





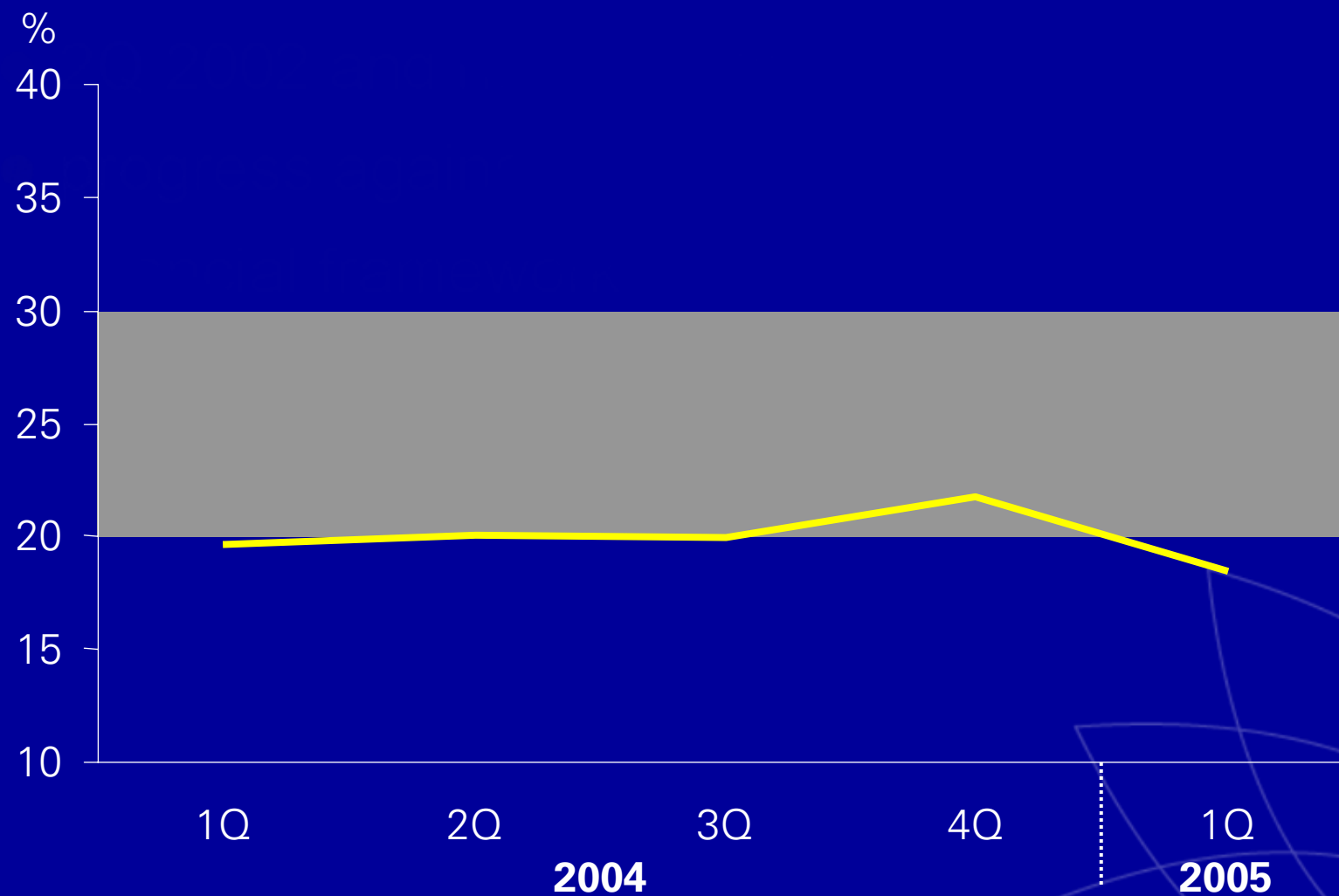
Pre-tax cash returns



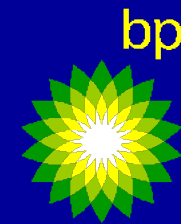
pre-tax cash return = $\frac{\text{RCP before interest \& tax} - \text{non-operating items} + \text{DD\&A} + \text{interest and tax from equity accounted entities}}{\text{average operating capital employed}}$



Net debt ratio

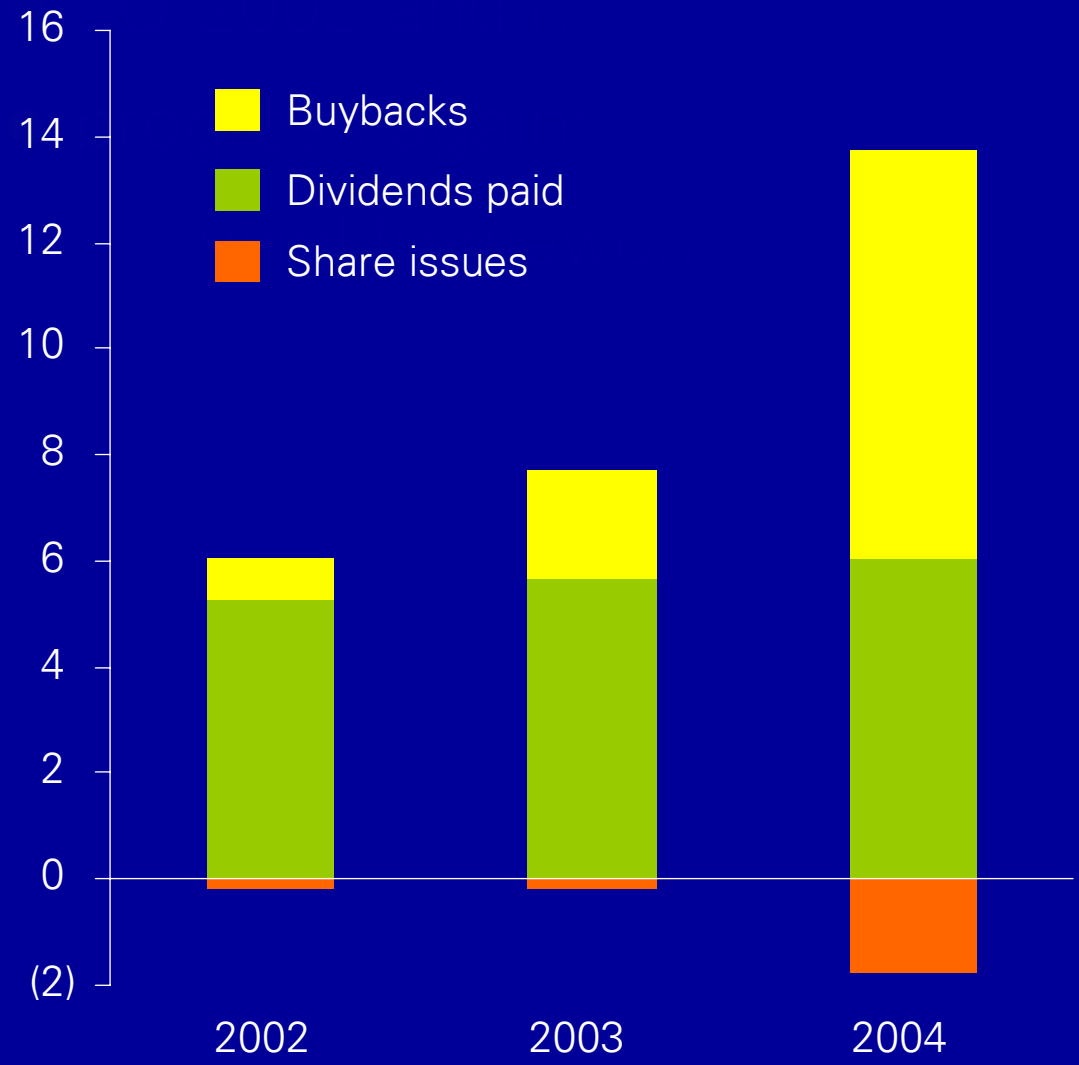


Net debt ratio = net debt / (net debt + equity)

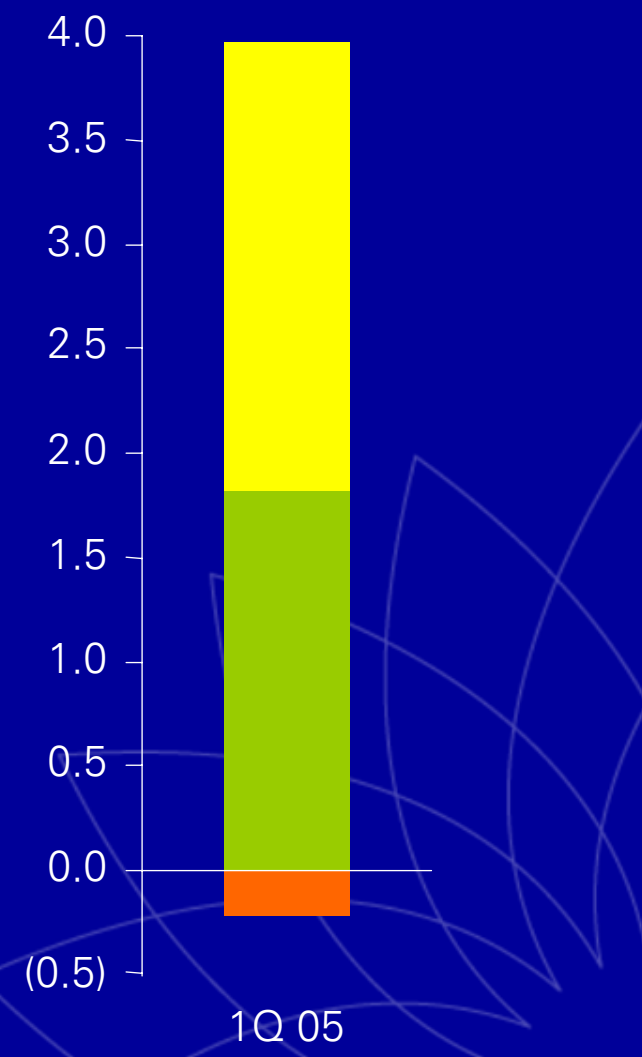


Shareholder distributions

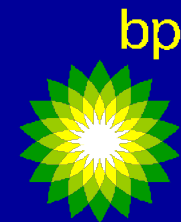
\$bn – full year



\$bn – first quarter



Q&A



Byron Grote
Chief Financial Officer



Fergus MacLeod
Head of Investor Relations

