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FOR IMMEDIATE RELEASE

**STRONG PERFORMANCE DELIVERY AND CASH GENERATION**

\$ million	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005	First Quarter 2006 vs 2005
Profit for the period*	5,623	3,685	6,602	
Inventory holding (gains) losses	(358)	747	(1,111)	
<b>Replacement cost profit</b>	<b>5,265</b>	<b>4,432</b>	<b>5,491</b>	<b>(4%)</b>
– per ordinary share (pence)	14.66	12.15	13.55	
– per ordinary share (cents)	25.66	21.34	25.61	0.2%
– per ADS (dollars)	1.54	1.28	1.54	

- BP's first quarter replacement cost profit was \$5,265 million, compared with \$5,491 million a year ago, a decrease of 4%. Excluding non-operating items, the result increased by 7% on a year ago; on a per share basis this represents an increase of 12%.
- The first quarter result included a net non-operating charge of \$17 million compared with a net non-operating gain of \$542 million in the first quarter of 2005.
- The first quarter trading environment was generally stronger than a year ago with higher oil and gas realizations and similar overall marketing margins, but with slightly lower realized refining margins.
- Net cash provided by operating activities for the quarter was \$8.9 billion compared with \$9.4 billion a year ago.
- The ratio of net debt to net debt plus equity was 16% compared with 18% a year ago.
- The quarterly dividend, to be paid in June, is 9.375 cents per share (\$0.5625 per ADS) compared with 8.50 cents per share a year ago, an increase of 10%. In sterling terms, the quarterly dividend is 5.251 pence per share, compared with 4.450 pence per share a year ago, an increase of 18%. During the quarter, the company repurchased 349 million of its own shares at a cost of \$4 billion.

BP Group Chief Executive, Lord Browne, said:

*"BP's first quarter result reflected good overall operating performance and a strong recovery in Refining and Marketing from the fourth quarter. The Texas City refinery is now running at 200 mb/d and further units will be brought onstream across the balance of 2006. Our actions to control costs are on track. Results are being impacted by higher tax charges. Strong cash generation continues to support shareholder distributions through dividends and buybacks".*

\* Profit attributable to BP shareholders.

# Summary Quarterly Results

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Exploration and Production's first quarter result benefited from higher realizations in both liquids and gas versus a year ago, partially offset by the impact of lower volumes as a consequence of residual hurricane impacts, primarily at Mars in the Gulf of Mexico.

The Refining and Marketing result reflects slightly lower realized refining margins and similar overall marketing margins as the first quarter of 2005. The major impact on the first quarter's result was the margin loss and recommissioning costs associated with the shutdown of our Texas City refinery, although this was partly offset by improved supply optimization and business improvements elsewhere.

In Gas, Power and Renewables, the lower first quarter result relative to last year reflects negative impacts from non-operating items and IFRS fair value accounting charges, partially offset by a higher contribution from marketing and trading.

Finance costs and Other finance expense was \$143 million for the quarter.

The consolidation adjustment, which removes the margin on sales between segments in respect of inventory at the period end, was a charge of \$8 million in the first quarter.

The effective tax rate on replacement cost profit was 35% versus 31.5% a year earlier.

Capital expenditure was \$3.3 billion for the quarter; there were no significant acquisitions. Disposal proceeds were \$0.7 billion.

Net debt at the end of the quarter was \$15.7 billion. The ratio of net debt to net debt plus equity was 16%.

During the first quarter, the company repurchased 349 million of its own shares, at a cost of \$4 billion. These shares are held in treasury.

The commentaries above and following are based on replacement cost profit.

The financial information for 2005 has been restated to reflect the following, all with effect from 1 January 2006: (a) the transfer of three equity-accounted entities from Other businesses and corporate to Refining and Marketing following the sale of Innovene; (b) the transfer of certain mid-stream assets and activities from Refining and Marketing and Exploration and Production to Gas, Power and Renewables; and (c) the transfer of Hydrogen for Transport activities from Gas, Power and Renewables to Refining and Marketing. See Note 1 for further details.

## Non-Operating Items

<b>\$ million</b>		<b>First Quarter 2006</b>
Exploration and Production		(386)
Refining and Marketing		564
Gas, Power and Renewables		(55)
Other businesses and corporate		9
		<hr/>
Taxation		132
Continuing operations		(46)
Innovene operations		86
Taxation	(96)	<hr/>
	(7)	(103)
Total for all operations		<hr/>
		(17)

## Reconciliation of Replacement Cost Profit to Profit for the Period

\$ million	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
Exploration and Production	6,823	6,566	6,484
Refining and Marketing	1,612	(165)	1,411
Gas, Power and Renewables	301	129	412
Other businesses and corporate	(217)	(409)	(171)
Consolidation adjustments			
Unrealized profit in inventory	(8)	234	(153)
Net profit on transactions between continuing and Innovene operations <sup>(a)</sup>	–	128	96
RC profit before interest and tax	<b>8,511</b>	6,483	8,079
Finance costs and other finance expense	(143)	(215)	(202)
Taxation	(2,929)	(2,029)	(2,479)
Minority interest	(71)	(93)	(61)
<b>RC profit for continuing operations attributable to BP shareholders<sup>(b)</sup></b>	<b>5,368</b>	4,146	5,337
Inventory holding gains (losses) for continuing operations	358	(903)	961
<b>Profit for the period for continuing operations attributable to BP shareholders</b>	<b>5,726</b>	3,243	6,298
<b>Profit (loss) for the period from Innovene operations<sup>(c)</sup></b>	<b>(103)</b>	442	304
<b>Profit for the period attributable to BP shareholders</b>	<b>5,623</b>	3,685	6,602
RC profit for continuing operations attributable to BP shareholders	5,368	4,146	5,337
RC profit (loss) for Innovene operations	(103)	286	154
<b>Replacement cost profit</b>	<b>5,265</b>	4,432	5,491

<sup>(a)</sup> In the circumstances of discontinued operations, Accounting Standards require that the profits earned by the discontinued operations, in this case the Innovene operations, on sales to the continuing operations be eliminated on consolidation from the discontinued operations, and attributed to the continuing operations and vice versa. This adjustment has two offsetting elements: the net margin on crude refined by Innovene as substantially all crude for their refineries was supplied by BP and most of the refined products manufactured were taken by BP; and the margin on sales of feedstock from BP's US refineries to Innovene's manufacturing plants. The profits attributable to individual segments were not affected by this adjustment. Neither does this representation indicate the profits earned by continuing or Innovene operations, as if they were stand-alone entities, for past periods or likely to be earned in future periods.

<sup>(b)</sup> Replacement cost profit reflects the current cost of supplies. The replacement cost profit for the period is arrived at by excluding from profit inventory holding gains and losses. BP uses this measure to assist investors to assess BP's performance from period to period. Replacement cost profit is not a recognized GAAP measure. Operating cash flow is calculated from the starting point of profit before taxation which includes inventory holding gains and losses. Operating cash flow also reflects working capital movements including inventories, trade and other receivables and trade and other payables. The carrying value of these working capital items will change for various reasons, including movements in oil, gas and products prices.

<sup>(c)</sup> See further detail in Note 2.

## Per Share Amounts

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>Results for the period (\$m)</b>			
Profit*	5,623	3,685	6,602
Replacement cost profit	5,265	4,432	5,491
Shares in issue at period end (thousand)	20,341,135	20,657,045	21,367,827
– ADS equivalent (thousand)	3,390,189	3,442,841	3,561,305
Average number of shares outstanding (thousand)	20,521,872	20,792,896	21,441,285
– ADS equivalent (thousand)	3,420,312	3,465,483	3,573,548
<b>Per ordinary share (cents)</b>			
Profit for the period	27.40	17.90	30.79
RC profit for the period	25.66	21.34	25.61
<b>Per ADS (cents)</b>			
Profit for the period	164.40	107.40	184.74
RC profit for the period	153.96	128.04	153.66

\* Profit attributable to BP shareholders.

# Exploration and Production

\$ million	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>Profit before interest and tax<sup>(a)</sup></b>	<b>6,816</b>	6,574	6,489
<b>Inventory holding (gains) losses</b>	<b>7</b>	(8)	(5)
<b>Replacement cost profit before interest and tax</b>	<b>6,823</b>	6,566	6,484
<b>Results include:</b>			
Impairment and gain (loss) on sale of businesses and fixed assets	9	62	940
Environmental and other provisions	-	-	-
Restructuring, integration and rationalization costs	-	-	-
Fair value gain (loss) on embedded derivatives	<b>(395)</b>	(801)	(160)
Other	-	(240)	-
<b>Total non-operating items</b>	<b>(386)</b>	(979)	780
Exploration expense	<b>189</b>	208	160
Of which:			
Exploration expenditure written off	<b>114</b>	81	84
<b>Production (Net of royalties)<sup>(b)</sup></b>			
Crude oil (mb/d)	<b>2,360</b>	2,400	2,405
Natural gas liquids (mb/d)	<b>173</b>	164	188
Total liquids (mb/d) <sup>(c)</sup>	<b>2,533</b>	2,564	2,593
Natural gas (mmcf/d)	<b>8,713</b>	8,458	8,745
Total hydrocarbons (mboe/d) <sup>(d)</sup>	<b>4,035</b>	4,022	4,101
<b>Average realizations<sup>(e)</sup></b>			
Crude oil (\$/bbl)	<b>58.25</b>	53.92	43.37
Natural gas liquids (\$/bbl)	<b>35.47</b>	39.29	28.14
Total liquids (\$/bbl)	<b>55.88</b>	52.44	41.74
Natural gas (\$/mcf)	<b>5.54</b>	6.24	4.26
Total hydrocarbons (\$/boe)	<b>44.20</b>	44.56	33.60
<b>Average oil marker prices (\$/bbl)</b>			
Brent	<b>61.79</b>	56.87	47.62
West Texas Intermediate	<b>63.29</b>	60.01	49.88
Alaska North Slope US West Coast	<b>60.89</b>	57.89	45.07
<b>Average natural gas marker prices</b>			
<b>Henry Hub gas price (\$/mmbtu)<sup>(f)</sup></b>	<b>9.01</b>	13.00	6.27
<b>UK Gas – National Balancing Point (p/therm)</b>	<b>70.00</b>	65.30	37.96

<sup>(a)</sup> Profit from continuing operations and includes profit after interest and tax of equity-accounted entities.

<sup>(b)</sup> Includes BP's share of production of equity-accounted entities.

<sup>(c)</sup> Crude oil and natural gas liquids.

<sup>(d)</sup> Natural gas is converted to oil equivalent at 5.8 billion cubic feet = 1 million barrels.

<sup>(e)</sup> Based on sales of consolidated subsidiaries only - this excludes equity-accounted entities.

<sup>(f)</sup> Henry Hub First of the Month Index.

## Exploration and Production

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The replacement cost profit before interest and tax for the first quarter was \$6,823 million, representing an increase of 5% over the first quarter of 2005. This result benefited from higher realizations in both liquids and gas, partially offset by the impact of lower volumes as a consequence of residual hurricane impacts, primarily at Mars in the Gulf of Mexico.

The result also included fair value losses of \$395 million on embedded derivatives relating to historical long-term North Sea gas contracts. The corresponding quarter in 2005 contained fair value losses of \$160 million on embedded derivatives and net gains of \$940 million on the sales of assets and charges for impairment.

Production for the quarter at 4,035 mboe/d was slightly higher than the fourth quarter of 2005, reflecting the progressive return of production affected by Hurricanes Katrina and Rita. Compared to the first quarter of 2005, production was at a similar level after taking account of the effect of severe weather disruptions.

Projects in our New Profit Centres are progressing well. In Trinidad, the first cargo of LNG from the Atlantic LNG Train 4 plant was loaded in January for delivery in the UK, and the Cannonball gas development project started production in mid March. In Azerbaijan, good progress has been made on the filling and commissioning of the BTC pipeline, with the first lifting at Ceyhan in Turkey expected in the second quarter of 2006. In the Gulf of Mexico, progress continued on the Thunder Horse project with the completion of the installation of all production and export risers on the platform. Production is expected to start in the second half of 2006.

During the quarter, we were the highest bidder on 73 blocks in the Central Gulf of Mexico lease sale and we were awarded three new exploration blocks in offshore Pakistan, subject to government approval.

We reached agreement for the sales of our 4.84% interest in the Statfjord oil and gas field and of our interest in the Luva gas discovery, both in the North Sea. Completion of these sales is expected in the second quarter. On 19 April it was announced that we had reached agreement with Apache to sell our remaining Gulf of Mexico Shelf assets, with reserves of 59 million barrels of oil equivalent and average daily production of 27 mboe, for \$1.3 billion. Completion is expected in mid 2006 once regulatory approvals have been received.

# Refining and Marketing

\$ million	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>Profit (loss) before interest and tax</b> <sup>(a)</sup>	2,038	(1,073)	2,353
<b>Inventory holding (gains) losses</b>	(426)	908	(942)
<b>Replacement cost profit (loss) before interest and tax</b>	1,612	(165)	1,411
<b>Results include:</b>			
Impairment and gain (loss) on sale of businesses and fixed assets	564	50	(27)
Environmental and other provisions	-	-	-
Restructuring, integration and rationalization costs	-	-	-
Fair value gain (loss) on embedded derivatives	-	-	-
Other	-	-	-
<b>Total non-operating items</b>	564	50	(27)
<b>Refinery throughputs (mb/d)</b>			
UK	111	144	164
Rest of Europe	639	664	647
USA	976	942	1,400
Rest of World	296	288	299
<b>Total throughput</b>	2,022	2,038	2,510
<b>Refining availability (%)</b> <sup>(b)</sup>	79.9	90.9	95.2
<b>Oil sales volumes (mb/d)</b>			
<b>Refined products</b>			
UK	345	358	338
Rest of Europe	1,315	1,343	1,323
USA	1,599	1,559	1,648
Rest of World	567	573	621
<b>Total marketing sales</b>	3,826	3,833	3,930
<b>Trading/supply sales</b>	2,213	1,448	2,196
<b>Total refined product sales</b>	6,039	5,281	6,126
<b>Crude oil</b>	3,141	2,710	2,871
<b>Total oil sales</b>	9,180	7,991	8,997
<b>Global Indicator Refining Margin (\$/bbl)</b> <sup>(c)</sup>			
NWE	2.88	5.51	2.84
USGC	10.86	11.64	7.30
Midwest	4.89	7.91	3.84
USWC	11.22	8.90	12.88
Singapore	3.54	4.42	4.98
BP Average	6.28	7.60	5.94
<b>Chemicals production (kte)</b>			
UK	303	281	317
Rest of Europe	842	811	806
USA	789	676	1,218
Rest of World	1,687	1,638	1,108
<b>Total production</b>	3,621	3,406	3,449

(a) Profit from continuing operations and includes profit after interest and tax of equity-accounted entities.

(b) Refining availability is defined as the ratio of units which are available for processing, regardless of whether they are actually being used, to total capacity. Where there is planned maintenance, such capacity is not regarded as being available. During the first quarter of 2006, there was planned maintenance of a substantial part of the Texas City refinery.

(c) The Global Indicator Refining Margin (GIM) is the average of regional indicator margins weighted for BP's crude refining capacity in each region. Each regional indicator margin is based on a single representative crude with product yields characteristic of the typical level of upgrading complexity. The regional indicator margins may not be representative of the margins achieved by BP in any period because of BP's particular refinery configurations and crude and product slate.

## Refining and Marketing

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The replacement cost profit before interest and tax for the first quarter was \$1,612 million compared with \$1,411 million for the same period last year. The quarter's result includes a net non-operating gain of \$564 million, primarily in respect of net gains on divestments as described below. The non-operating charge for the same period last year was \$27 million.

Compared with the first quarter of 2005, realized refining margins were slightly lower and overall marketing margins were similar. The major impact on the first quarter's result was the margin loss and recommissioning costs associated with the shutdown of our Texas City refinery. Compared with the first quarter of 2005, the reduction in the result in respect of the Texas City closure, including the impact on associated businesses, was some \$650 million. Relative to the first quarter of 2005, this reduction was partly offset by improved supply optimization and business improvements elsewhere. The quarter was also adversely impacted by IFRS accounting effects.

The refining throughputs for the quarter were 2,022 mb/d compared with 2,510 mb/d for the same quarter last year. The reduction in throughputs was mainly due to the continued shutdown of our Texas City refinery. Recommissioning of the site began at the end of March, with current throughput of 200 mb/d, and is expected to continue in a phased manner for the remainder of the year, with the full financial potential of the site not expected to be realized until 2007. Excluding the Texas City refinery, refining availability for the first quarter of 2006 was 96.0%.

Marketing sales of 3,826 mb/d compared with 3,930 mb/d for the corresponding period in 2005 reflecting divestment activities.

During the first quarter of 2006, we completed the disposal of our shareholding in Zhenhai Refining and Chemicals Company to Sinopec and completed the sale of our Czech Republic retail network to Österreichische Mineralöl Verwaltung Aktiengesellschaft (OMV).

Also during the quarter, BP sold its shareholding in Eiffage, the French based construction company, and completed a restructuring of our Olympic Pipeline ownership.

The rationalization programme for the European marketing businesses is being implemented on schedule.

## Gas, Power and Renewables

\$ million	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>Profit before interest and tax <sup>(a)</sup></b>	<b>238</b>	126	426
<b>Inventory holding (gains) losses</b>	<b>63</b>	3	(14)
<b>Replacement cost profit before interest and tax</b>	<b>301</b>	129	412
<b>Results include:</b>			
Impairment and gain (loss) on sale of businesses and fixed assets	–	(26)	63
Environmental and other provisions	–	–	–
Restructuring, integrations and rationalization costs	–	–	–
Fair value gain (loss) on embedded derivatives	<b>(55)</b>	(546)	42
Other	–	265	–
<b>Total non-operating items</b>	<b>(55)</b>	(307)	105

<sup>(a)</sup> Profit from continuing operations and includes profit after interest and tax of equity-accounted entities.

The replacement cost profit before interest and tax for the first quarter was \$301 million compared with \$412 million a year ago. The non-operating item for the first quarter comprises fair value losses on embedded derivatives of \$55 million. The corresponding quarter in 2005 contained fair value gains of \$42 million on embedded derivatives and net gains of \$63 million on the sales of assets.

The first quarter's result is lower than the same period in 2005 primarily due to negative impacts from non-operating items and IFRS fair value accounting charges, partially offset by a higher contribution from marketing and trading.

In February, BP announced plans to build a 500 MW \$1 billion hydrogen-fuelled power plant alongside BP's Carson refinery near Los Angeles. The plant is expected to generate enough low carbon power to serve 325,000 homes in South California.

## Other Businesses and Corporate

\$ million	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>Profit (loss) before interest and tax</b> <sup>(a)</sup>	(215)	(409)	(171)
<b>Inventory holding (gains) losses</b>	(2)	–	–
<b>Replacement cost profit (loss) before interest and tax</b>	(217)	(409)	(171)
<b>Results include:</b>			
Impairment and gain (loss) on sale of businesses and fixed assets	1	–	–
Environmental and other provisions	–	(4)	–
Restructuring, integrations and rationalization costs	–	(57)	(43)
Fair value gain (loss) on embedded derivatives	8	(3)	(4)
Other	–	–	–
<b>Total non-operating items</b>	<b>9</b>	<b>(64)</b>	<b>(47)</b>

<sup>(a)</sup> Profit from continuing operations and includes profit after interest and tax of equity-accounted entities.

Other businesses and corporate comprises Finance, the group's aluminium asset, interest income and costs relating to corporate activities. The first quarter's result includes a net gain of \$9 million in respect of non-operating items.

## Dividends Payable

	June 2006	March 2006	June 2005
<b>Dividends per ordinary share</b>			
cents	9.375	9.375	8.50
pence	5.251	5.288	4.450
<b>Dividends per ADS (cents)</b>	<b>56.25</b>	<b>56.25</b>	<b>51.0</b>

BP today announced a dividend of 9.375 cents per ordinary share to be paid in June. Holders of ordinary shares will receive 5.251 pence per share and holders of American Depository Receipts (ADRs) \$0.5625 per ADS share. The dividend is payable on 5 June to shareholders on the register on 12 May. Participants in the Dividend Reinvestment Plan (DRIP) or the DRIP facility in the US Direct Access Plan will receive the dividend in the form of shares, also on 5 June.



## Summarized Group Income Statement

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
	<b>\$ million</b>		
Sales and other operating revenues (Note 3)	<b>67,082</b>	64,708	54,743
Earnings from jointly controlled entities – after interest and tax	<b>573</b>	835	486
Earnings from associates – after interest and tax	<b>115</b>	133	114
Interest and other revenues	<b>198</b>	229	166
<b>Total revenues</b>	<b>67,968</b>	65,905	55,509
Gain on sale of businesses and fixed assets	<b>597</b>	210	1,162
<b>Total revenues and other income</b>	<b>68,565</b>	66,115	56,671
Purchases	<b>47,613</b>	45,541	36,441
Production and manufacturing expenses	<b>5,217</b>	6,118	4,702
Production and similar taxes (Note 4)	<b>932</b>	830	649
Depreciation, depletion and amortization	<b>2,184</b>	2,351	2,147
Impairment and losses on sale of businesses and fixed assets	<b>23</b>	124	186
Exploration expense (Note 4)	<b>189</b>	208	160
Distribution and administration expenses	<b>3,096</b>	4,013	3,224
Fair value (gain) loss on embedded derivatives	<b>442</b>	1,350	122
<b>Profit before interest and taxation from continuing operations</b>	<b>8,869</b>	5,580	9,040
Finance costs (Note 5)	<b>191</b>	172	172
Other finance (income) expense (Note 6)	<b>(48)</b>	43	30
<b>Profit before taxation from continuing operations</b>	<b>8,726</b>	5,365	8,838
Taxation	<b>2,929</b>	2,029	2,479
<b>Profit from continuing operations</b>	<b>5,797</b>	3,336	6,359
<b>Profit (loss) from Innovene operations (Note 2)</b>	<b>(103)</b>	442	304
<b>Profit for the period</b>	<b>5,694</b>	3,778	6,663
<b>Attributable to:</b>			
BP shareholders	<b>5,623</b>	3,685	6,602
Minority interest	<b>71</b>	93	61
	<b>5,694</b>	3,778	6,663
<b>Earnings per share – cents</b>			
Profit for the period attributable to BP shareholders			
Basic	<b>27.40</b>	17.90	30.79
Diluted	<b>27.13</b>	17.68	30.36
Profit from continuing operations attributable to BP shareholders			
Basic	<b>27.90</b>	15.82	29.37
Diluted	<b>27.63</b>	15.62	28.97

## Summarized Group Balance Sheet

	31 March 2006	31 December 2005
	\$ million	
<b>Non-current assets</b>		
Property, plant and equipment	85,487	85,947
Goodwill	10,322	10,371
Other intangible assets	4,887	4,772
Investments in jointly controlled entities	15,007	13,556
Investments in associates	5,371	6,217
Other investments	700	967
<b>Fixed assets</b>	121,774	121,830
Loans	849	821
Other receivables	875	770
Derivative financial instruments	3,278	3,652
Prepayments and accrued income	1,524	1,269
Defined benefit pension plan surplus	3,469	3,282
	131,769	131,624
<b>Current assets</b>		
Loans	125	132
Inventories	18,823	19,760
Trade and other receivables	39,757	40,902
Derivative financial instruments	8,381	9,726
Prepayments and accrued income	3,918	1,598
Current tax receivable	222	212
Cash and cash equivalents	2,939	2,960
	74,165	75,290
Assets classified as held for sale	1,160	–
	75,325	75,290
<b>Total assets</b>	207,094	206,914
<b>Current liabilities</b>		
Trade and other payables	42,712	42,136
Derivative financial instruments	7,553	9,083
Accruals and deferred income	6,852	5,970
Finance debt	9,222	8,932
Current tax payable	3,909	4,274
Provisions	1,097	1,102
	71,345	71,497
<b>Non-current liabilities</b>		
Other payables	1,812	1,935
Derivative financial instruments	3,159	3,696
Accruals and deferred income	4,112	3,164
Finance debt	9,457	10,230
Deferred tax liabilities	17,066	16,443
Provisions	9,527	9,954
Defined benefit pension plan and other post-retirement benefit plan deficits	9,336	9,230
	54,469	54,652
Liabilities directly associated with the assets classified as held for sale	399	–
	54,868	54,652
<b>Total liabilities</b>	126,213	126,149
<b>Net assets</b>	80,881	80,765
<b>Equity</b>		
BP shareholders' equity	80,148	79,976
Minority interest	733	789
	80,881	80,765

## Movement in BP Shareholders' Equity

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	<b>\$ million</b>
<b>Movement in BP shareholders' equity</b>	
At 31 December 2005	79,976
Profit for the period	5,623
Distribution to shareholders	(1,922)
Currency translation differences (net of tax)	251
Repurchase of ordinary share capital	(3,999)
Issue of ordinary share capital for employee share schemes	228
Purchase of shares by ESOP trusts	(90)
Share-based payments (net of tax)	118
Available-for-sale investments (net of tax)	(126)
Cash flow hedges (net of tax)	89
<b>At 31 March 2006</b>	<hr/> <b>80,148</b> <hr/>



## Summarized Group Cash Flow Statement

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>\$ million</b>			
<b>Working capital and other movements</b>			
Interest receivable	(130)	(228)	(63)
Interest received	146	208	34
Finance costs	191	172	172
Interest paid	(310)	(292)	(332)
Other finance expense	(48)	43	30
Share-based payments	83	56	77
Net operating charge for pensions and other post-retirement benefits, less contributions	(50)	(398)	(10)
Net charge for provisions, less payments	(207)	(284)	(63)
(Increase) decrease in inventories	1,008	(318)	(797)
(Increase) decrease in other current and non-current receivables	335	(386)	(1,317)
Increase (decrease) in other current and non-current payables	(106)	300	2,367
Income taxes paid	(2,761)	(3,044)	(984)
	<b>(1,849)</b>	<b>(4,171)</b>	<b>(886)</b>

## Group Statement of Recognized Income and Expense

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>\$ million</b>			
Currency translation differences	153	(308)	(752)
Exchange gain on translation of foreign operations transferred to gain or loss on sale of businesses and fixed assets	–	(315)	–
Actuarial gain relating to pensions and other post-retirement benefits	–	975	–
Available-for-sale investments marked to market	197	236	2
Available-for-sale investments – recycled to the income statement	(346)	–	(43)
Cash flow hedges marked to market	57	(48)	(60)
Cash flow hedges – recycled to the income statement	57	43	(7)
Taxation	61	(295)	56
Net income recognized directly in equity	179	288	(804)
Profit for the period	5,694	3,778	6,663
Total recognized income and expense relating to the period	<b>5,873</b>	<b>4,066</b>	<b>5,859</b>
Attributable to:			
BP shareholders	5,802	3,973	5,798
Minority interest	71	93	61
	<b>5,873</b>	<b>4,066</b>	<b>5,859</b>
Change in accounting policy – adoption of IAS 32 and 39 on 1 January 2005 (wholly attributable to BP shareholders)	–	–	(243)

# Capital Expenditure and Acquisitions

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>\$ million</b>			
<b>By business</b>			
<b>Exploration and Production</b>			
UK	182	211	176
Rest of Europe	69	79	31
USA	1,021	1,001	997
Rest of World	1,428	1,671	1,097
	<b>2,700</b>	<b>2,962</b>	<b>2,301</b>
<b>Refining and Marketing</b>			
UK	61	203	43
Rest of Europe	65	291	67
USA	258	535	190
Rest of World	107	379	46
	<b>491</b>	<b>1,408</b>	<b>346</b>
<b>Gas, Power and Renewables</b>			
UK	1	10	1
Rest of Europe	5	15	1
USA	20	42	13
Rest of World	14	57	6
	<b>40</b>	<b>124</b>	<b>21</b>
<b>Other businesses and corporate</b>			
UK	19	90	75
Rest of Europe	–	71	20
USA	8	131	64
Rest of World	–	4	1
	<b>27</b>	<b>296</b>	<b>160</b>
	<b>3,258</b>	<b>4,790</b>	<b>2,828</b>
<b>By geographical area</b>			
UK	263	514	295
Rest of Europe	139	456	119
USA	1,307	1,709	1,264
Rest of World	1,549	2,111	1,150
	<b>3,258</b>	<b>4,790</b>	<b>2,828</b>
<b>Included above:</b>			
Acquisitions and asset exchanges	10	60	85
Innovene operations	–	140	129
<b>Exchange rates</b>			
US dollar/sterling average rate for the period	1.75	1.75	1.89
US dollar/sterling period–end rate	1.75	1.73	1.88
US dollar/euro average rate for the period	1.20	1.19	1.31
US dollar/euro period–end rate	1.21	1.18	1.30







## Depreciation of Fixed Asset Revaluation Adjustment

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>\$ million</b>			
<b>Exploration and Production</b>			
UK	8	7	8
USA	55	62	76
Rest of World	5	5	5
	<b>68</b>	74	89
<b>Refining and Marketing</b>			
USA	25	26	25
	<b>25</b>	26	25
<b>Gas, Power and Renewables</b>			
USA	6	5	6
	<b>6</b>	5	6
<b>Total depreciation of revaluation adjustment</b> <sup>(a)(b)</sup>	<b>99</b>	105	120

<sup>(a)</sup> Relates to the revaluation adjustment consequent upon the ARCO acquisition.

<sup>(b)</sup> Excludes impairment of the revaluation adjustment which is included in non-operating items.

## Net Debt Ratio – Net Debt: Net Debt + Equity

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>\$ million</b>			
Gross debt	<b>18,679</b>	19,162	19,564
Cash and cash equivalents	<b>2,939</b>	2,960	1,521
Net debt	<b>15,740</b>	16,202	18,043
Equity	<b>80,881</b>	80,765	79,911
Net debt ratio	<b>16%</b>	17%	18%

## Production and Realizations

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>Production</b> <sup>(a)</sup>			
<b>Crude oil</b> (mb/d) (net of royalties)			
UK	268	244	288
Rest of Europe	64	69	76
USA	444	432	560
Rest of World	1,584	1,655	1,481
Total crude oil production	<b>2,360</b>	<b>2,400</b>	<b>2,405</b>
<b>Natural gas liquids</b> (mb/d) (net of royalties)			
UK	13	16	17
Rest of Europe	4	4	5
USA	122	111	135
Rest of World	34	33	31
Total natural gas liquids production	<b>173</b>	<b>164</b>	<b>188</b>
<b>Liquids</b> <sup>(b)</sup> (mb/d) (net of royalties)			
UK	281	260	305
Rest of Europe	68	73	81
USA	566	543	695
Rest of World	1,618	1,688	1,512
Total liquids production	<b>2,533</b>	<b>2,564</b>	<b>2,593</b>
<b>Natural gas</b> (mmcf/d) (net of royalties)			
UK	1,196	1,156	1,242
Rest of Europe	94	107	121
USA	2,485	2,359	2,648
Rest of World	4,938	4,836	4,734
Total natural gas production	<b>8,713</b>	<b>8,458</b>	<b>8,745</b>
<b>Average realizations</b> <sup>(c)</sup>			
<b>Crude oil</b> (\$/bbl)			
UK	60.57	54.70	45.54
USA	58.27	57.40	43.20
Rest of World	56.18	49.93	41.49
BP Average	58.25	53.92	43.37
<b>Natural gas liquids</b> (\$/bbl)			
UK	48.19	43.68	29.82
USA	33.25	37.78	26.98
Rest of World	37.05	42.10	31.24
BP Average	35.47	39.29	28.14
<b>Liquids</b> <sup>(b)</sup> (\$/bbl)			
UK	60.00	54.02	44.68
USA	53.79	53.98	40.56
Rest of World	55.02	49.51	40.83
BP Average	55.88	52.44	41.74
<b>Natural gas</b> (\$/mcf)			
UK	7.87	6.96	5.58
USA	6.91	9.48	5.31
Rest of World	3.94	4.08	3.10
BP Average	5.54	6.24	4.26

<sup>(a)</sup> Includes BP's share of production of equity-accounted entities.

<sup>(b)</sup> Crude oil and natural gas liquids.

<sup>(c)</sup> Based on sales of consolidated subsidiaries only – this excludes equity-accounted entities.





## Notes

### 3. Sales and other operating revenues

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>\$ million</b>			
<b>By business</b>			
Exploration and Production	13,918	14,769	10,186
Refining and Marketing	56,605	53,969	47,722
Gas, Power and Renewables	8,279	7,997	7,145
Other businesses and corporate	206	161	172
Sales by continuing operations	79,008	76,896	65,225
Less: sales between businesses	11,926	10,595	8,369
sales to Innovene operations	–	1,593	2,113
<b>Third party sales of continuing operations</b>	<b>67,082</b>	<b>64,708</b>	<b>54,743</b>
Innovene sales	–	3,509	5,343
Less: sales to continuing operations	–	1,445	1,534
<b>Third party sales of Innovene operations</b>	<b>–</b>	<b>2,064</b>	<b>3,809</b>
<b>Total third party sales</b>	<b>67,082</b>	<b>66,772</b>	<b>58,552</b>
<b>By geographical area</b>			
UK	27,865	18,204	19,821
Rest of Europe	18,374	14,661	15,824
USA	25,728	23,185	23,395
Rest of World	18,375	20,693	12,725
Sales by continuing operations	90,342	76,743	71,765
Less: sales between areas	23,260	10,442	14,909
sales to Innovene operations	–	1,593	2,113
<b>67,082</b>	<b>64,708</b>	<b>54,743</b>	

### 4. Profit before interest and taxation is after charging:

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>\$ million</b>			
<b>Exploration expense</b>			
UK	7	11	5
Rest of Europe	–	–	1
USA	66	117	103
Rest of World	116	80	51
	<b>189</b>	<b>208</b>	<b>160</b>
<b>Production and similar taxes <sup>(a)</sup></b>			
UK	235	133	114
Overseas	697	697	535
	<b>932</b>	<b>830</b>	<b>649</b>

<sup>(a)</sup> Production taxes are charged against Exploration and Production's profit before interest and taxation.

## Notes

### 5. Finance costs

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>\$ million</b>			
Interest payable	293	278	191
Capitalized	(102)	(106)	(76)
	191	172	115
Early redemption of finance leases	–	–	57
	191	172	172

### 6. Other finance (income) expense

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>\$ million</b>			
Interest on pension and other post-retirement benefit plan liabilities	471	497	514
Expected return on pension and other post-retirement benefit plan assets	(582)	(521)	(547)
Interest net of expected return on plan assets	(111)	(24)	(33)
Unwinding of discount on provisions	54	57	45
Unwinding of discount on deferred consideration for acquisition of investment in TNK-BP	9	9	17
	(48)	42	29
Innovene operations	–	1	1
Continuing operations	(48)	43	30

### 7. Dividends paid

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>Dividends per ordinary share</b>			
Cents	9.375	8.925	8.50
Pence	5.288	5.061	4.522
<b>Dividends per ADS (cents)</b>	<b>56.25</b>	<b>53.55</b>	<b>51.0</b>

## Notes

### 8. Analysis of changes in net debt

	First Quarter 2006	Fourth Quarter 2005	First Quarter 2005
<b>\$ million</b>			
<b>Opening balance</b>			
Finance debt	19,162	22,159	23,091
Less: Cash and cash equivalents	2,960	2,182	1,359
<b>Opening net debt</b>	<b>16,202</b>	19,977	21,732
<b>Closing balance</b>			
Finance debt	18,679	19,162	19,564
Less: Cash and cash equivalents	2,939	2,960	1,521
<b>Closing net debt</b>	<b>15,740</b>	16,202	18,043
<b>Decrease (increase) in net debt</b>	<b>462</b>	3,775	3,689
Movement in cash and cash equivalents (excluding exchange adjustments)	(35)	783	171
Net cash outflow (inflow) from financing (excluding share capital)	379	2,936	3,547
Adoption of IAS 39	–	–	(147)
Fair value hedge adjustment	82	48	98
Other movements	32	11	49
Movement in net debt before exchange effects	458	3,778	3,718
Exchange adjustments	4	(3)	(29)
<b>Decrease (increase) in net debt</b>	<b>462</b>	3,775	3,689



# Notes

## 10. Equity-accounted entities

The group's profit for the period includes the following in respect of equity-accounted entities.

	RC profit (loss) before interest and tax	Inventory holding gains (losses)	Profit (loss) before interest and tax	Interest	Tax	Minority interest	Profit (loss) for the period
<b>\$ million</b>							
<b>First Quarter 2006</b>							
Exploration and Production	1,149	–	1,149	(72)	(439)	(41)	597
Refining and Marketing	95	6	101	(19)	(10)	–	72
Gas, Power and Renewables	29	–	29	(4)	(4)	–	21
Other businesses and corporate	(2)	–	(2)	–	–	–	(2)
Continuing operations	1,271	6	1,277	(95)	(453)	(41)	688
Innovene operations	–	–	–	–	–	–	–
	1,271	6	1,277	(95)	(453)	(41)	688
<b>Fourth Quarter 2005</b>							
Exploration and Production	1,291	–	1,291	(56)	(313)	(30)	892
Refining and Marketing	88	8	96	(18)	(27)	–	51
Gas, Power and Renewables	27	–	27	(1)	(1)	–	25
Other businesses and corporate	–	–	–	–	–	–	–
Continuing operations	1,406	8	1,414	(75)	(341)	(30)	968
Innovene operations	(17)	–	(17)	–	–	–	(17)
	1,389	8	1,397	(75)	(341)	(30)	951
<b>First Quarter 2005</b>							
Exploration and Production	839	–	839	(52)	(227)	(8)	552
Refining and Marketing	75	(4)	71	(8)	(18)	–	45
Gas, Power and Renewables	7	–	7	(2)	(2)	–	3
Other businesses and corporate	–	–	–	–	–	–	–
Continuing operations	921	(4)	917	(62)	(247)	(8)	600
Innovene operations	–	–	–	–	–	–	–
	921	(4)	917	(62)	(247)	(8)	600

