BP 1Q 2019
Results

30 April 2019

Welcome to BP's first quarter 2019 results presentation.

I'm Craig Marshall, BP's head of investor relations, and I am here today with our chief financial officer, Brian Gilvary.

We are hosting our call today from Los Angeles in the US, where we are separately meeting with a number of our venture partners. It is also an opportunity to meet with some of our investors here on the West Coast.

With that, I'll draw your attention to our cautionary statement.

Cautionary statement

Forward-looking statements - cautionary statement
In order to utilize the 'safe harbor' provisions of the United States Private Securities Litigation Reform Act of 1995 (the 'PSLRA') and the general doctrine of cautionary statements, BP is providing the following cautionary statement. This presentation and the associated slides and discussion contain forward-looking statements – that is, statements related to future, not past events and circumstances – with respect to the financial condition, results of operations and business of BP and certain of the expectations, intentions, plans and objectives of BP with respect to these items, in particular statements regarding expectations related to the world economy, future oil and gas prices and global energy supply and demand including with respect to oil and natural gas; plans to invest up to $100 million over the next three years in the Upstream Carbon Fund to support projects to deliver new greenhouse gas emissions in the Upstream; plans and expectations regarding progress against near-term emissions reduction targets; plans to produce 900,000 boed from new major projects by 2021; plans and expectations regarding the Azeri Central East project, including to achieve first production in 2023 and produce up to 300 million barrels over its lifetime; plans and expectations regarding the integration of the assets acquired from BHP in BPX Energy, including delivery of synergies and further upside potential; plans to add 1,000 new BP branded retail station sites in China over the next five years; plans and expectations to expand the production capacity at BP's joint venture petrochemicals facility in South Korea; plans and expectations regarding share buybacks, including to offset the impact of dilution from the scrip program; expectations regarding refining margins, discounts for North American heavy crude oil and refining turnarounds; expectations regarding Upstream reported production in the second quarter of 2019, seasonal turnaround and maintenance activity; expectations regarding continuing growth in the Downstream; plans and expectations with respect to Upstream projects; expectations regarding BP's strategic plan and financial frame including organic capital expenditure, organic free cash flow and operating cash flow, the DD&A charge, Gulf of Mexico oil spill payments, cost and capital discipline, the Other Businesses and Corporate average underlying quarterly charge, and the 2019 underlying effective tax rate; plans and expectations to deliver returns exceeding 10% by 2021 at a $55 per barrel real price assumption; plans and expectations regarding sustainable free cash flow and growing distributions to shareholders; expectations regarding the amount, timing and uses of divestment proceeds; plans and expectations to target gearing within a range of 20-30%; and plans and expectations with respect to dividends. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of BP. Actual results may differ materially from those expressed in such statements, depending on a variety of factors, including: the specific factors identified in the discussions accompanying such forward-looking statements; the receipt of relevant third party and/or regulatory approvals; the timing and level of maintenance and/or turnaround activity; the timing and volume of refinery additions and outages; the timing of bringing new fields onstream; the timing, quantum and nature of certain acquisitions and divestments; future levels of industry product supply, demand and pricing, including supply growth in North America; OPEC quota restrictions; PSA effects; operational and safety problems; potential lapses in product quality; economic and financial market conditions generally or in various countries and regions; political stability and economic growth in relevant areas of the world; changes in laws and governmental regulations; regulatory or legal actions including the types of enforcement action pursued and the nature of remedies sought or imposed; the actions of prosecutors, regulatory authorities and courts; delays in the processes for resolving claims; amounts ultimately payable and timing of payments relating to the Gulf of Mexico oil spill; exchange rate fluctuations; development and use of new technology; recruitment and retention of a skilled workforce; the success or otherwise of partnering; the actions of competitors, trading partners, contractors, subcontractors, creditors, rating agencies and others; our access to future credit resources; business disruption and crisis management; the impact on our reputation of ethical misconduct and non-compliance with regulatory obligations; trading losses; major uninsured losses; decisions by Rosneft's management and board of directors; natural disasters and adverse weather conditions; changes in public expectations and other changes to business conditions; wars and acts of terrorism; cyber-attacks or sabotage; and other factors discussed under "Risk factors" in BP Annual Report and Form 20-F 2018 as filed with the US Securities and Exchange Commission.

This document contains references to non-proved resources and production outlooks based on non-proved resources 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. 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.

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.

Tables and projections in this presentation are BP projections unless otherwise stated.

April 2019

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During today's presentation, we will make forward-looking statements that refer to our estimates, plans and expectations. Actual results and outcomes could differ materially due to factors we note on this slide and in our UK and SEC filings. Please refer to our Annual Report, Stock Exchange Announcement and SEC filings for more details. These documents are available on our website.

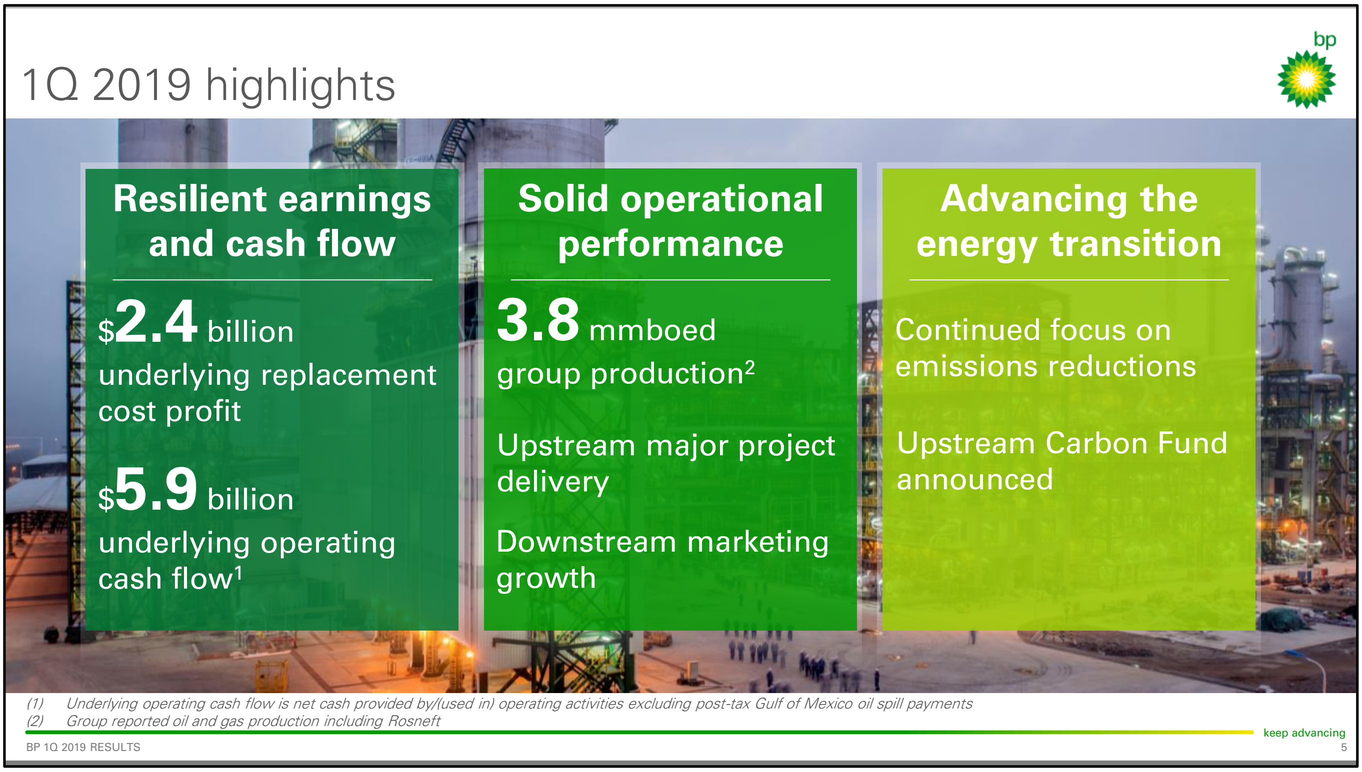
Now, over to Brian.

Thanks Craig and thank you to everyone for joining us on the call today.

I would like to begin by drawing your attention to some changes we have made to our financial statements, as a result of the IFRS 16 accounting standard, that came into effect on 1 January 2019 for all companies filing IFRS accounts.

This new standard changes how we account for leases within our financial statements, but does not change how we run the business. While IFRS 16 has a negligible impact on underlying earnings and free cash flow, it does require changes to key lines of the income statement and the balance sheet, which we will take you through today. You will also see that we have included further details in the appendix of this presentation, containing further information and we plan to publish these each quarter through 2019. Additional disclosures are also included in the Stock Exchange Announcement, including on page 2, in the supplementary information and the 2018 annual report and accounts. Craig and the IR team are also available to answer any further detailed questions after the call.

In addition, with the reduced uncertainty on remaining Gulf of Mexico oil spill liabilities, the detailed note 2 in the Stock Exchange Announcement has been retired. Changes to liabilities will now be reported in the additional information section of the SEA, alongside disclosures on cash flow in the quarter.



Turning to highlights from the first quarter.

Despite a volatile price environment, we have made a good start to the year, building on the underlying operational and financial momentum established over the past couple of years.

We reported underlying replacement cost profit for the first quarter of $2.4 billion, with underlying operating cash flow of $5.9 billion, including a $1.0 billion seasonal build in working capital.

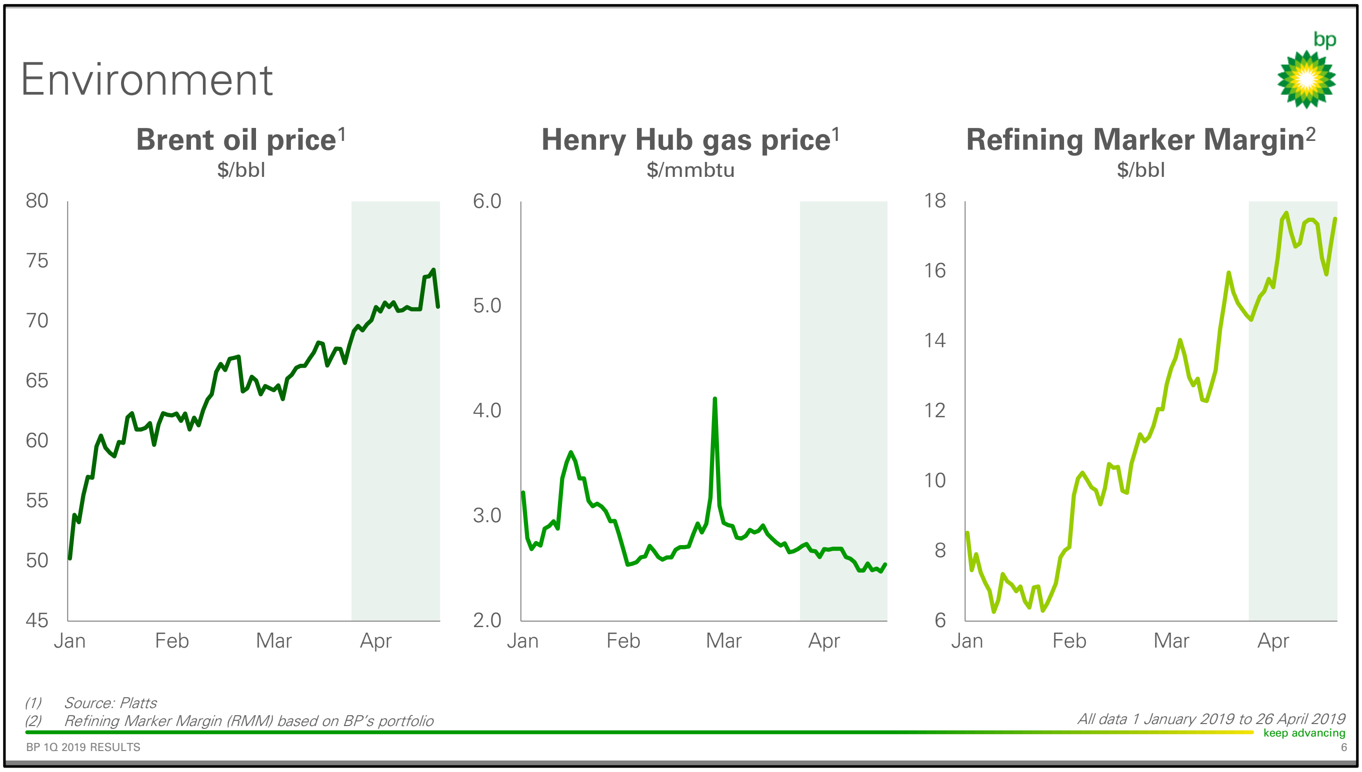
We continue to make good operational and strategic progress across our businesses.

In the Upstream, our operated plant reliability remained strong at 96.2%, and we continue to grow our balanced portfolio, with three major projects start-ups further underpinning our 2021 growth targets. We have also taken a number of final investment decisions on key projects. And we are progressing in integrating the recently acquired Lower 48 assets into our BPX Energy business.

In the Downstream, we have momentum around our growth agenda with the continued marketing expansion into growing markets, notably this quarter in China, where we are positioning ourselves to take advantage of growing demand in the region.

We also continue to advance our approach to the energy transition, recently announcing progress against our near-term emissions targets. By the end of 2018, we had delivered 2.5 million tonnes of sustainable greenhouse gas reductions across our business since the beginning of 2016. And on methane, we reported an intensity level of 0.2% in 2018, consistent with our target.

And, we announced the creation of a $100 million fund as part of the ongoing engagement across the business, supporting new emissions-reducing projects in the Upstream.



Before turning to our financial results, a few comments on the macro environment.

Brent crude recovered from around $50 per barrel at the end of 2018, to $68 at the end of March, and is currently trading around $70 per barrel. The average price of Brent in the first quarter was $63 per barrel, compared with an average of $69 per barrel in the fourth quarter. The recovery through the first quarter reflects improving compliance around production cuts within OPEC and participating countries, alongside the continuing supply disruption associated with the ongoing political uncertainty in Venezuela.

Strong LNG supply growth since the end of 2018, coupled with warmer weather, caused global gas prices to fall through the quarter, notably in Asian and European markets. In the US, the return to more normal storage levels saw Henry Hub gas prices reduce to an average of $3.20 per million British Thermal Units, compared with $3.70 in the fourth quarter. We expect LNG oversupply to continue through 2019, largely exceeding Asian demand growth, with excess volumes being redirected primarily to Europe.

BP's global refining marker margin dropped to around $6 per barrel in January, before rallying to around $15 per barrel at the end of the quarter, as refining outages, particularly in the US, led to reduced inventories. Across the quarter the marker margin averaged $10.00 per barrel, compared with $11.00 per barrel in the fourth quarter.

Looking ahead, we expect oil demand growth to remain relatively robust, and supply growth to be modest, with disruptions in Venezuela and Iran continuing and ongoing compliance from the OPEC alliance in the first half of the year. These factors are expected to partly offset the increase in US production, which is currently around 12 million barrels a day. In North America, increasing offtake capacity from the Permian, and a closer matching of production and pipeline export capacity is expected to keep the WTI-WCS differential at around the levels seen in the first quarter.

1Q 2019 results summary

$bn	1Q18[4]	4Q18[4]	1Q19[4]
Underlying replacement cost profit	2.6	3.5	2.4
Underlying operating cash flow[1]	5.4	7.1	5.9
Underlying RCPBIT[2]			
Upstream	3.2	3.9	2.9
Downstream	1.8	2.2	1.7
Rosneft[3]	0.2	0.4	0.6
Other businesses and corporate	(0.4)	(0.3)	(0.4)
Underlying earnings per share (cents)	13.0	17.4	11.7
Dividend paid per share (cents)	10.00	10.25	10.25
Dividend declared per share (cents)	10.00	10.25	10.25

1Q 2019 vs 4Q 2018

- Lower price environment
- Upstream turnaround and divestment impacts
- Strong supply and 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
(4) 1Q18 and 4Q18 have not been restated following the adoption of IFRS 16. 1Q19 impacts are disclosed in the appendix

Moving to our results.

As I mentioned earlier, our first quarter results reflect the adoption of IFRS 16. This accounting standard brings off-balance sheet leases onto the balance sheet, in a similar way to how credit ratings agencies have historically determined extended net debt in their cash cover ratio calculation.

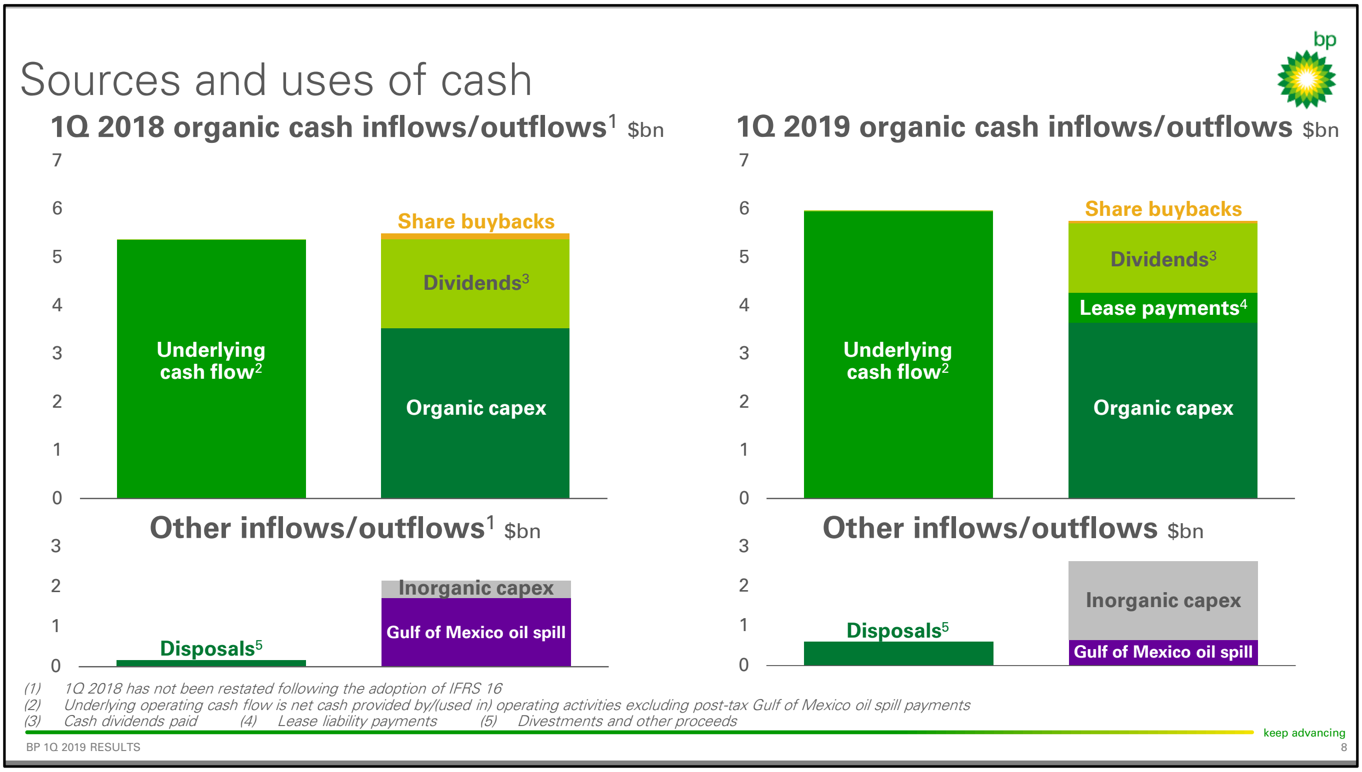
As of 31 March 2019, the lease liability on the balance sheet was $10.3 billion, assuming a weighted average discount rate of around 3.5%. Some items have been reclassified within our income statement, with operating expenses lower but offset by an increase in DD&A and interest costs. In total these changes have a negligible impact on group underlying replacement cost profit. Further information on the first quarter impact is contained in the appendix and the SEA.

BP’s first quarter underlying replacement cost profit was $2.4 billion, compared to $2.6 billion a year ago and $3.5 billion in the fourth quarter of 2018.

Compared to the fourth quarter, the result reflects lower North American heavy crude differentials and refining margins, as well as lower Upstream realisations. It also includes a lower fuels marketing result, and the impact of Upstream portfolio divestments and turnaround activity in the Gulf of Mexico. This was partly offset by a strong supply and trading result in both oil and gas and a lower level of refinery turnarounds.

Compared to a year ago, the result reflects lower Downstream refining margins and North American heavy crude differentials, as well as lower Upstream liquids realisations and the impact of turnaround activity in the Gulf of Mexico. This was partly offset by a strong supply and trading performance in both oil and gas, an increased contribution from Rosneft and an improved fuels marketing result.

And finally, the first quarter dividend, payable in the second quarter, remains unchanged at 10.25 cents per ordinary share.



Turning to cash flow, and sources and uses of cash.

To reflect the impact of IFRS 16, we have chosen to adjust how we present sources and uses of cash to include lease payments as a use of cash.

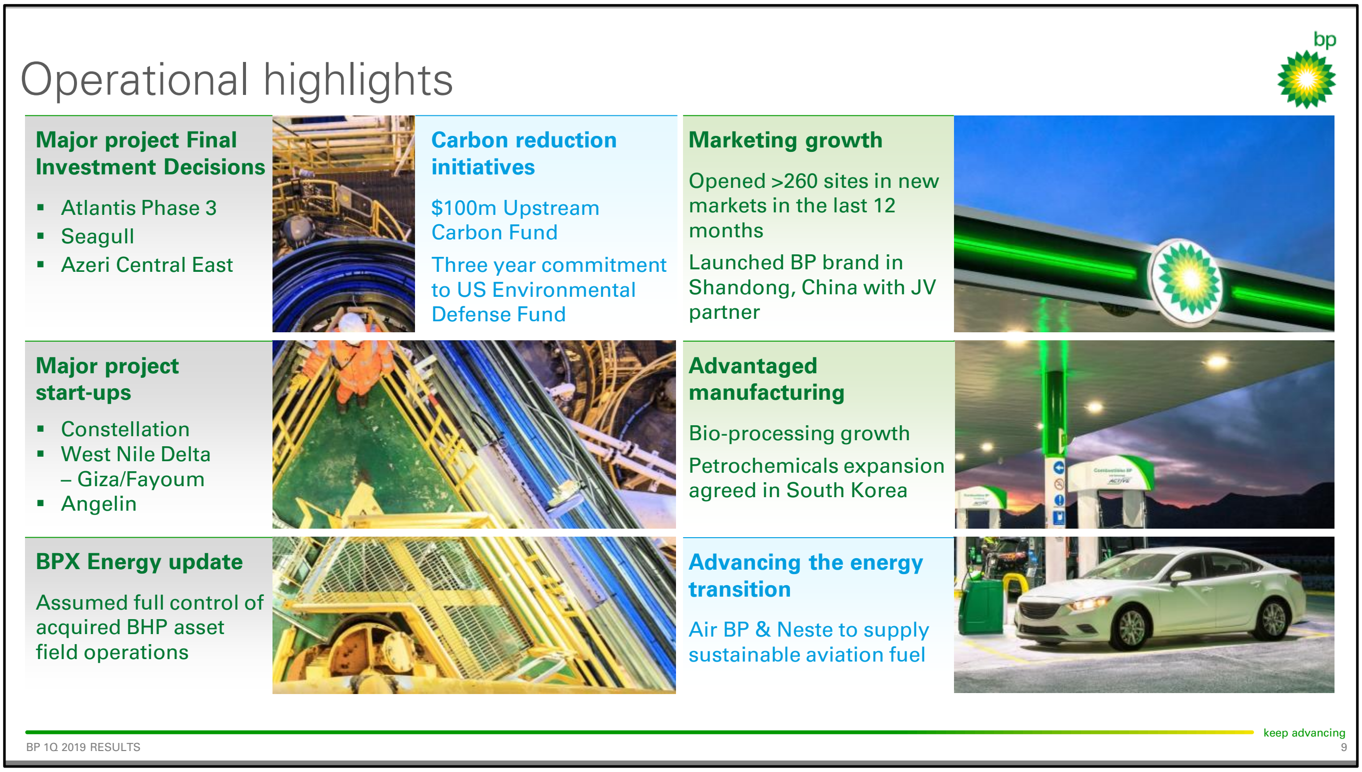
Lease payments are no longer reported within underlying operating cash flow, increasing the reported number by around $500 million. Similarly, they are no longer reported within capital expenditure, resulting in a decrease of around $100 million. Taken together, these changes are offset by the addition of $600 million of lease liability payments, meaning free cash flow remains unchanged.

Excluding Gulf of Mexico oil spill related outgoings, BP's first quarter underlying operating cash flow was $5.9 billion, which included a seasonal working capital build of $1.0 billion.

Organic capital expenditure was $3.6 billion in the first quarter.

Turning to inorganic cash flows. In the first quarter, divestment and other proceeds totalled $600 million and we made post-tax Gulf of Mexico payments of $600 million. Inorganic capital expenditure was $2.0 billion, including two further payments to BHP of $1.7 billion. The final two payments were made to BHP in April.

We have continued our share buyback programme, buying back 6 million ordinary shares in the first three months of 2019, at a cost of $50 million.



Looking at operational highlights in the quarter.

In the Upstream, we have had a strong start to the year, announcing three of the five planned major project start-ups in 2019:

– Constellation in the Gulf of Mexico;

– West Nile Delta Giza/Fayoum in Egypt; and

– Angelin in Trinidad.

We have now brought 22 Upstream major projects online since 2016, and have 13 more to go as part of our plan to deliver 900,000 barrels of oil equivalent per day of new major project production by 2021.

We have also taken Final Investment Decisions, or FIDs, on three advantaged oil projects:

– Atlantis Phase 3 in the Gulf of Mexico;

– Seagull in the North Sea; and

– Azeri Central East in Azerbaijan.

This recent FID in Azerbaijan, sanctions a $6 billion development including a new offshore platform and facilities designed to process up to 100,000 barrels of oil per day gross. The project is expected to achieve first production in 2023 and produce up to 300 million barrels over its lifetime.

And, as I mentioned earlier, BPX Energy continues to integrate the Lower 48 assets acquired from BHP into its operations. Full control of field operations was assumed at the start of March and we had 14 drilling rigs operating at the end of the first quarter; including three on our new Permian-Delaware acreage and five in the Eagle Ford. We continue to be confident in the delivery of the synergies created by the transaction and are increasingly seeing further upside potential that was not assumed in our base case.

Looking to the Downstream. In fuels marketing, we continue to expand in new markets, adding more than 260 retail sites in the last 12 months. We have opened our first BP branded retail station in Shandong Province, China, through our joint venture with Dongming. This marks the start of our plan to add 1,000 new sites over the next five years to our existing network in China of more than 740 sites.

In manufacturing, we have continued to grow volumes of bio-feedstock processed across our refineries. We also agreed an expansion of production capacity at our joint venture petrochemicals facility in South Korea. This will allow us to help meet the region's growing demand and will bring the total capacity of the plant to over 1 million tonnes per annum.

We are also in action across our businesses as we look to advance the energy transition.

In March, we established the Upstream Carbon Fund, with a pledge to invest up to $100 million over the next three years. Supporting projects to deliver new greenhouse gas emissions reductions in our Upstream oil and gas operations. We also entered a three-year strategic agreement with the US Environmental Defense Fund, collaborating on projects to reduce methane emissions from across the global oil and gas supply chain.

And in Air BP we have recently announced an agreement with Neste to supply sustainable aviation fuel to customers.

2019 guidance

2Q 2019 guidance

Upstream

- Production broadly flat – reflecting ramp-up of major projects offset by ongoing seasonal turnaround and maintenance activities in high margin regions

Downstream

- Higher industry refining margins, similar level of North American crude oil discounts
- Significantly higher level of turnaround activity

2019 guidance

Organic capital expenditure	$15-17bn
DD&A	~$18bn
Gulf of Mexico oil spill payments	~$2bn
Share buybacks	Fully offset dilution since 3Q17
Gearing	20-30%
Other businesses and corporate underlying quarterly charge	~$350m
Underlying effective tax rate	~40%

Turning to the outlook for the second quarter.

In the Upstream, we expect reported production to be broadly flat compared with the first quarter. This reflects the ramp up of major projects, offset by ongoing seasonal turnaround and maintenance activities in high margin regions.

In the Downstream, we expect higher industry refining margins compared to the first quarter, a similar level of North American heavy crude oil discounts and a significantly higher level of refinery turnaround activity.

Following adoption of IFRS 16, we have updated some of our full year guidance. This ensures we retain a consistent financial frame, enabling us to continue to track our strategic progress against this guidance as well as our medium-term targets.

Under IFRS 16 we now recognise leases on the balance sheet as right of use assets. This results in a corresponding lease liability on the balance sheet, which we have disclosed separately to finance debt. The depreciation of the right of use assets is expected to increase our DD&A charge by around $2.5 billion for the year. As mentioned earlier, the DD&A charge is largely offset by changes in other items in the income statement, resulting in a negligible impact on group underlying replacement cost profit.

Turning to gearing. As lease liabilities are disclosed separate to finance debt they are excluded from our definition of net debt and gearing. This ensures gearing remains consistent with the financial frame, with guidance maintained within a targeted range of 20-30%. In addition, and for comparative purposes, we also report net debt including leases in the stock exchange announcement.

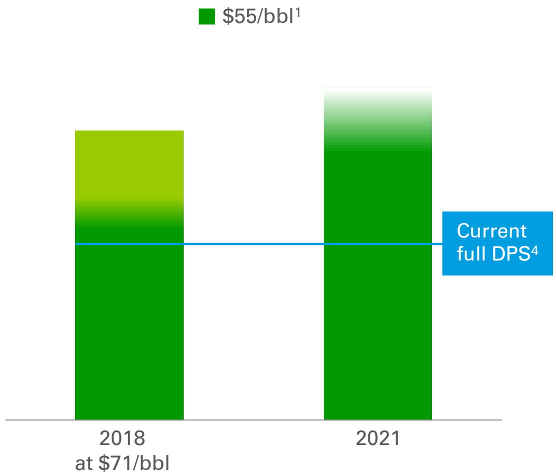
Following cash payments made during the quarter for BHP's onshore assets, gearing stood at 30.4% at the end of the first quarter. With divestment proceeds expected to be weighted to the second half of the year, and assuming a Brent oil price similar to that seen in the first quarter, gearing is expected to remain around the top end of the 20-30% range through the middle of the year.

Organic capital expenditure is expected to remain in the range of $15-17 billion. We will update you on the range through the year, including taking into account the impact to organic capital expenditure arising from IFRS 16.

Medium term financial frame

	2019 – 2021
Cost and capital discipline	$15-17bn p.a. organic capital expenditure
Divestments	>$10bn over next 2 years
Gearing	20-30%
Returns	>10% ROACE by 2021 at $55/bbl[1]
Distributions	Progressive dividend and share buyback programme[2]

Organic free cash flow per share[3]



(1) Brent oil prices 2017 real (2) Share buyback programme expected to fully offset dilution since 3Q17 by end of 2019 (3) Organic free cash flow: operating cash flow excluding Gulf of Mexico oil spill payments less organic capital expenditure and lease liability payments. In USD cents per ordinary share, based on BP planning assumptions (4) DPS: dividend per ordinary share at current dividend rate of 10.25 cents per share per quarter

Turning to our medium-term financial frame.

Organic capital expenditure is expected to remain in the range of $15-17 billion per year.

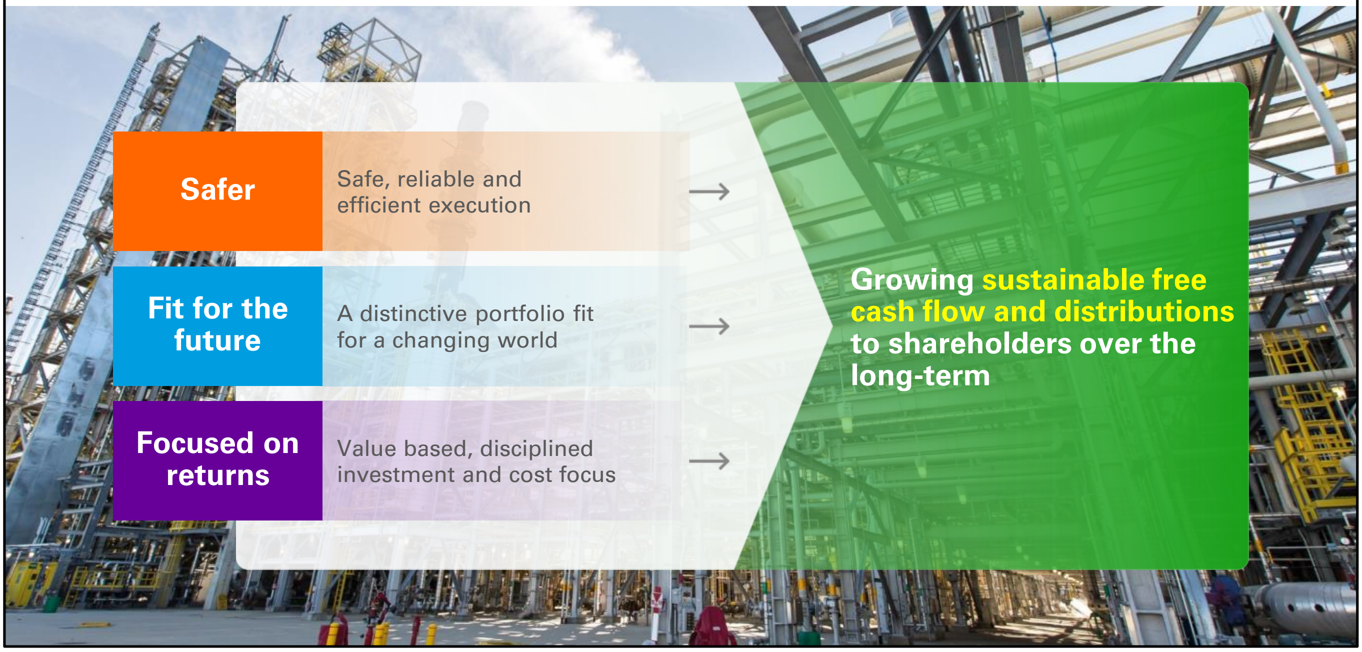
Over the next two years we plan to complete more than $10 billion in divestments.

Our balance sheet and cash cover metrics remain strong.

Free cash flow is expected to continue to grow. Alongside the receipt of divestment proceeds, and assuming recent average prices, we continue to expect gearing to move towards the middle of our targeted range of 20-30% through 2020.

And, finally, we remain confident in our guidance on returns exceeding 10% by 2021 at a $55 per barrel real price assumption.

The BP proposition



In summary, we are entering the third year of our five-year strategy and remain on-track to deliver on our 2021 targets.

Through a continued focus on the disciplined execution of our activity set, we are building strong strategic and operational momentum across our business, and are becoming increasingly resilient to external challenges and the evolving energy transition.

Our financial frame remains robust, with operating cash flow and returns expected to continue to grow. Along with proceeds from our divestment programme, this is expected to support growing free cash flow. This in turn, should enable the strengthening of our balance sheet and support our commitment to growing distributions to shareholders over the long-term.

On that note, thank you for listening. We look forward to seeing those of you who are attending our Annual General Meeting, which this year is being held in Aberdeen on 21 May.

Let me now turnover to your questions.

Q&A

Brian Gilvary
Chief Financial Officer

Craig Marshall
Head of Investor Relations

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Appendix

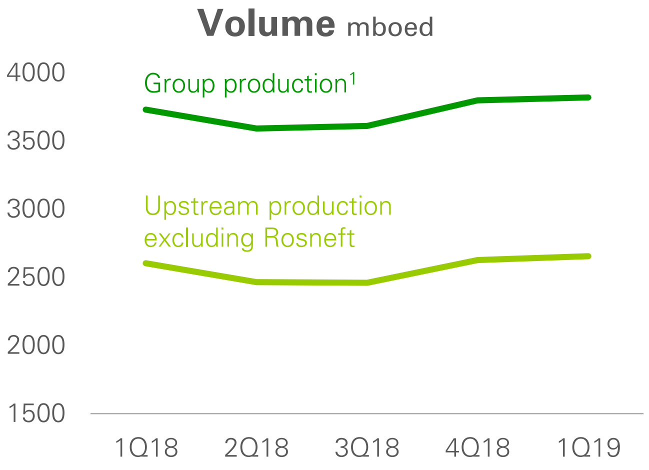
BP 1Q 2019
Results

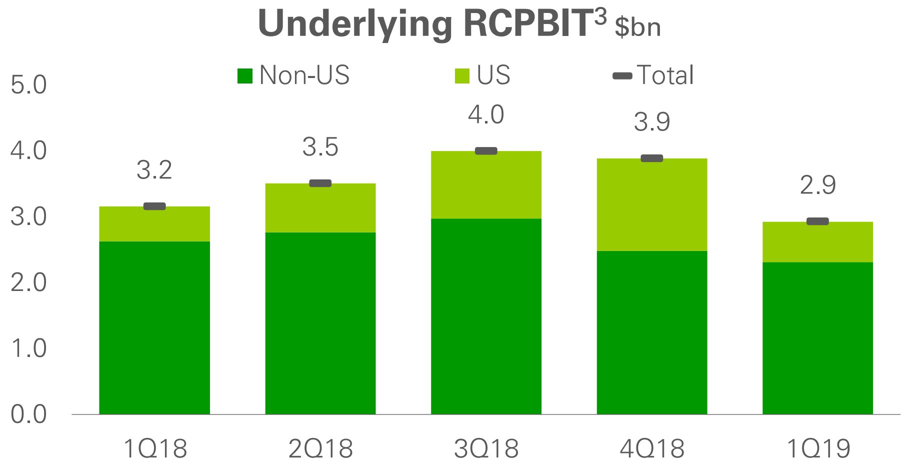
1Q 2019 summary

$bn	1Q18[6]	4Q18[6]	1Q19	% Y-o-Y[6]	% Q-o-Q[6]
Upstream	3.2	3.9	2.9		
Downstream	1.8	2.2	1.7		
Other businesses and corporate	(0.4)	(0.3)	(0.4)		
Underlying business RCPBIT[1]	**4.6**	**5.7**	**4.2**	**(8%)**	**(26%)**
Rosneft[2]	0.2	0.4	0.6		
Consolidation adjustment – unrealised profit in inventory	(0.2)	0.1	(0.0)		
Underlying RCPBIT[1]	**4.7**	**6.3**	**4.8**	**3%**	**(24%)**
Finance costs[3]	(0.5)	(0.7)	(0.8)		
Tax	(1.6)	(2.1)	(1.6)		
Minority interest	(0.1)	(0.0)	(0.1)		
Underlying replacement cost profit	**2.6**	**3.5**	**2.4**	**(9%)**	**(32%)**
Adjusted effective tax rate[4]	37%	38%	40%		
Underlying operating cash flow[5]	5.4	7.1	5.9	11%	(16%)
Underlying earnings per share (cents)	13.0	17.4	11.7	(10%)	(33%)
Dividend paid per share (cents)	10	10.25	10.25	3%	0%
Dividend declared per share (cents)	10	10.25	10.25	3%	0%

(1) Replacement cost profit before interest and tax (RCPBIT), adjusted for non-operating items and fair value accounting effects
(2) BP estimate of Rosneft earnings after interest, tax and minority interest
(3) Finance costs and net finance income or expense relating to pensions and other post-retirement benefits
(4) Underlying effective tax rate on replacement cost profit adjusted to remove the effects of non-operating items and fair value accounting effects
(5) Underlying operating cash flow is net cash provided by/(used in) operating activities excluding post-tax Gulf of Mexico oil spill payments
(6) 1Q18 and 4Q18 have not been restated following the adoption of IFRS 16

Upstream





Realisations[2]	1Q18	4Q18	1Q19
Liquids ($/bbl)	61	62	56
Gas ($/mcf)	3.8	4.3	4.0

1Q 2019 vs 4Q 2018

- Lower liquids realisations
- Portfolio impacts from divestments; and
- Gulf of Mexico turnaround activity

(1) Group reported oil and gas production including Rosneft
(2) Realisations based on sales of consolidated subsidiaries only, excluding equity-accounted entities
(3) Replacement cost profit before interest and tax (RCPBIT), adjusted for non-operating items and fair value accounting effects

Downstream

94%
Refining availability
4Q18: 96%[1]

Refining environment	1Q18	4Q18	1Q19
RMM ($/bbl)	11.7	11.0	10.2

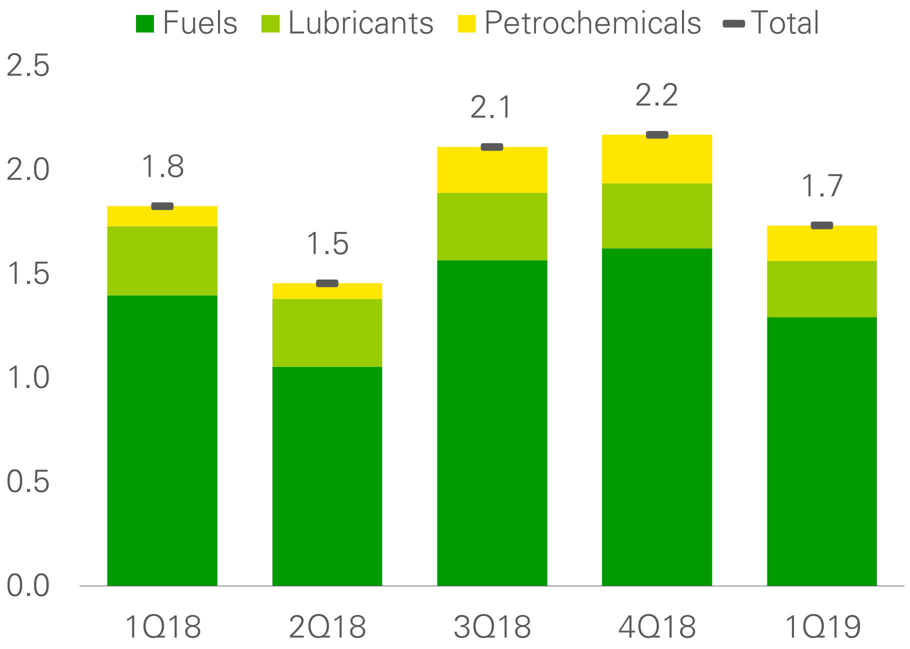
1Q 2019 vs 4Q 2018

- Narrower North American heavy crude oil differentials
- Lower industry refining margins; and
- A lower fuels marketing result

Partially offset by:

- A lower level of turnaround activity; and
- A strong supply and trading contribution

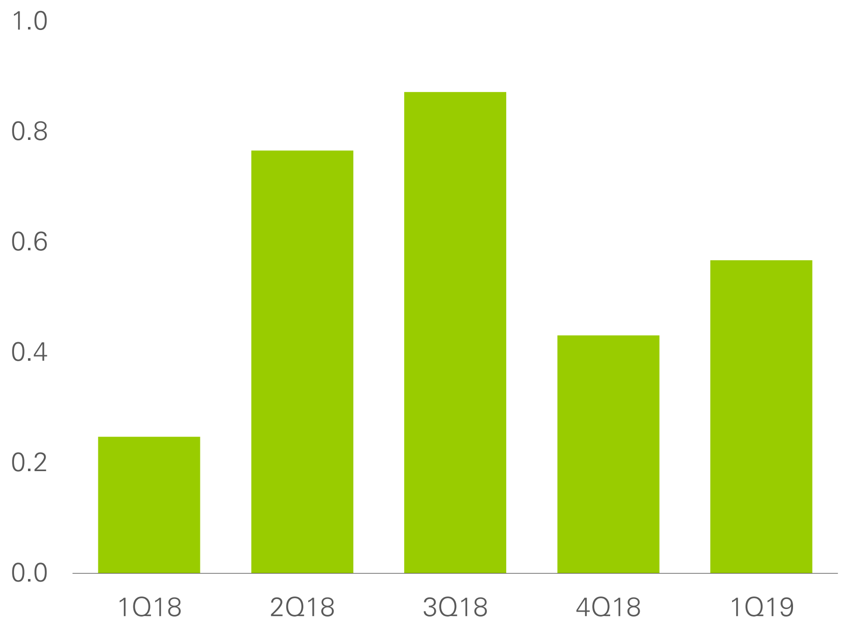
Underlying RCPBIT[2] $bn



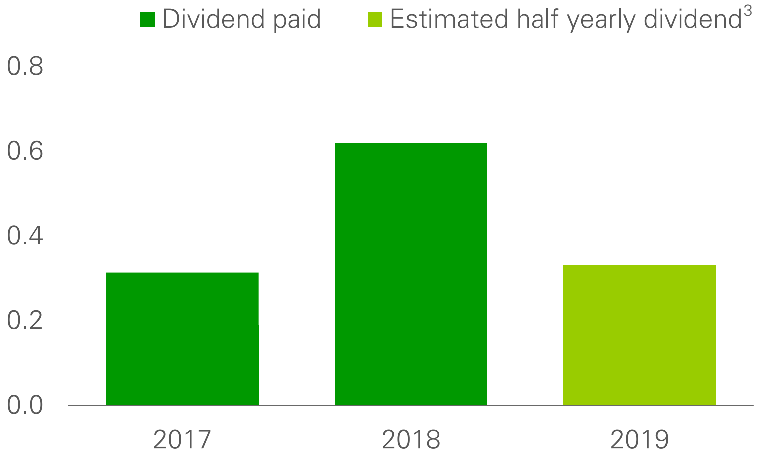
(1) *BP-operated refining availability*
(2) *Replacement cost profit before interest and tax (RCPBIT), adjusted for non-operating items and fair value accounting effects*

Rosneft

BP share of underlying net income[1] $bn



BP share of Rosneft dividend[2] $bn



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BP share of Rosneft production[4]

(1) On a replacement cost basis and adjusted for non-operating items; 1Q19 represents BP estimate
(2) From 2018, represents BP's share of 50% of Rosneft's IFRS net income, 2017 includes full year 2016 dividend and dividend relating to first half of 2017
(3) 2H 2018 dividend recommended by the Rosneft board for approval at the Rosneft AGM. BP's share is estimated at $330m after tax at current foreign exchange rates. Expected to be paid later this year (4) Average daily production for the first quarter of 2019

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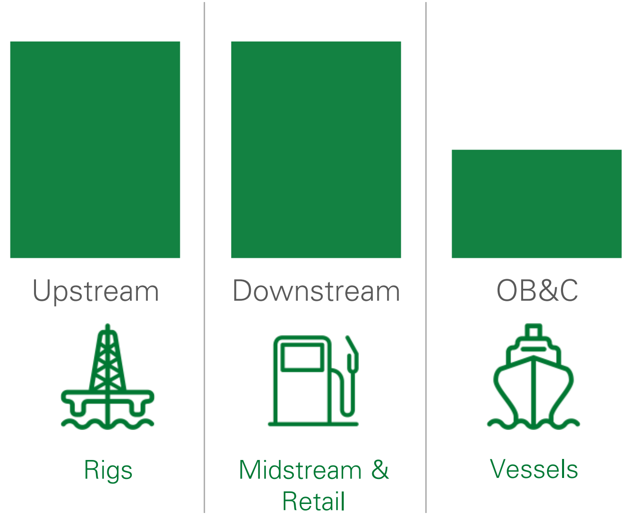
IFRS 16 – leases

- Accounting impact but does not change how the business is run
- Operating leases brought onto the balance sheet
  - included in extended net debt calculations by credit rating agencies
- $10.3bn lease liability[1]
  - ~3.5% weighted average discount rate
  - includes full liability where BP is the sole signatory rather than our working interest in Upstream joint operations



Key takeaways

- Negligible replacement cost profit impact
- No free cash flow impact
- Gearing maintained as per financial framework

(1) Closing balance at end of 1Q 2019

IFRS 16 – 1Q19 impact

Balance sheet[1]

Right-of-use assets
$9.6bn

Lease liabilities
$10.3bn

Income statement

Operating lease expenses
~$0.6bn

DD&A
$0.5bn

Interest charge
$0.1bn

Negligible impact on replacement cost profit

Cash flow

Operating cash flow
~$0.5bn

Capital expenditure
~$0.1bn

Lease payments
$0.6bn

No impact on free cash flow

Key metrics

Gearing
30.4%

Unit production costs
$0.34/boe

ROACE minor negative impact[2]

(1) *Closing balance at end of 1Q 2019*
(2) *ROACE metric disclosed as part of full year financial results*