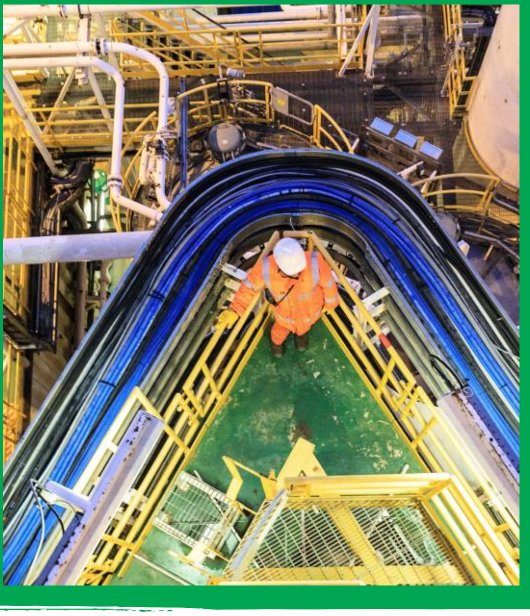

BP 1Q 2020 Financial results

28 April 2020

Performance with purpose

Good morning everyone and welcome to BP's first quarter results presentation for 2020.

Similar I'm sure to many of you listening, we are presenting our results today while working from home. While this is a departure from the usual process, it is something we are all getting used to, and our IT team have been doing a fantastic job to provide a resilient system to support these types of events, both for internal and external purposes.

Turning then to the presentation, I am joined remotely today by:

- Bernard Looney, Group Chief Executive
- Brian Gilvary, Chief Financial Officer; and
- Murray Auchincloss, Upstream Chief Financial Officer and CFO designate

Let me then 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 the COVID-19 pandemic including its risks, impacts, consequences and challenges and BP's response; plans and expectations relating to BP's net zero ambition; plans and expectations relating to the financial framework and the investor proposition, focus on safety, the operational impact of COVID-19, commitment regarding employee job security, the divestment programme including expectations with respect to completion of transactions and the timing and amount of proceeds of agreed disposals (including the announced sale of our Alaskan business to Hilcorp), reductions in organic capital expenditure and reductions in production due to capex interventions and cash cost savings; plans and expectations with respect to the amount of capital expenditure in 2020; plans and expectations to maintain and reinforce the liquidity position, drive the cash balance point lower in 2021 and to rebalance sources and uses of cash at a Brent price of below $35 per barrel, a Henry Hub price of $2.50 per million BTUs and a refining marker margin of $11 per barrel in 2021; plans and expectations to strengthen the balance sheet and enable the energy transition; plans and expectations with respect to the implementation and impact of cost-saving measures, including to achieve $2.5 billion in cost savings by the end of 2021 on a base of 2019; plans and expectations with respect to the reinvention and reorganization of BP; expectations regarding demand for BP's products in the Upstream and Downstream; expectations regarding OPEC plus supply cuts and their impact on the supply imbalance; expectations regarding Upstream reported production in the second quarter of and full year 2020; expectations regarding the Downstream refining margins, utilisation and light-heavy crude spreads; expectations regarding BP's strategic plan and financial frame including organic capital expenditure, organic free cash flow and operating cash flow, Rosneft contribution, Gulf of Mexico oil spill payments and the 2020 underlying effective tax rate; expectations with respect to unsold product balances, late receivables, and working capital; plans to invest around $500 million in low-carbon activities in 2020; plans and expectations regarding the long-term commitment to sustainably growing free cash flow and distributions to shareholders; expectations for net debt levels and gearing to remain above the 20-30% range into 2021 and for gearing to trend down over time; and plans and expectations with respect to quarterly 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 extent and duration of the impact of current market conditions including the significant drop in the oil price, the impact of COVID-19, overall global economic and business conditions impacting our business and demand for our products as well as 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 and TSC 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; the amount of Rosneft's contribution to BP's earnings; the actions of contractors; 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 2019 as 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.

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

April 2020

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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.

I'll now handover to Bernard.

Thanks Craig and good morning everyone.

I hope you and your families are keeping safe and well.

And thank you for joining our call.

We are in a very different world today than any of us would have imagined just a few weeks ago.

The coronavirus pandemic has gripped our world.

People are losing their loved ones before their time. Many more are afraid – for their families, their finances, their livelihoods, for their futures. And the question I get asked often "will life ever go back to normal?"

Alongside the physical and mental health impacts – is the economic impact. The pandemic is having a severe impact on global economic activity – and that has consequently had a major impact on energy markets.

With this backdrop – companies like BP are doing what we can to help. Not because it is expected of us – and it is – but because we want to. Our teams want to. We all want to make a difference.

Since the pandemic lockdown began, our focus has been on three clear priorities:

– First, protecting the health of our people;

– Second, supporting our communities; and

– Third, strengthening our finances

It is a simple frame that helps us balance complex and competing demands.

Between keeping our people safe and running the business.

Helping society in a time of real need.

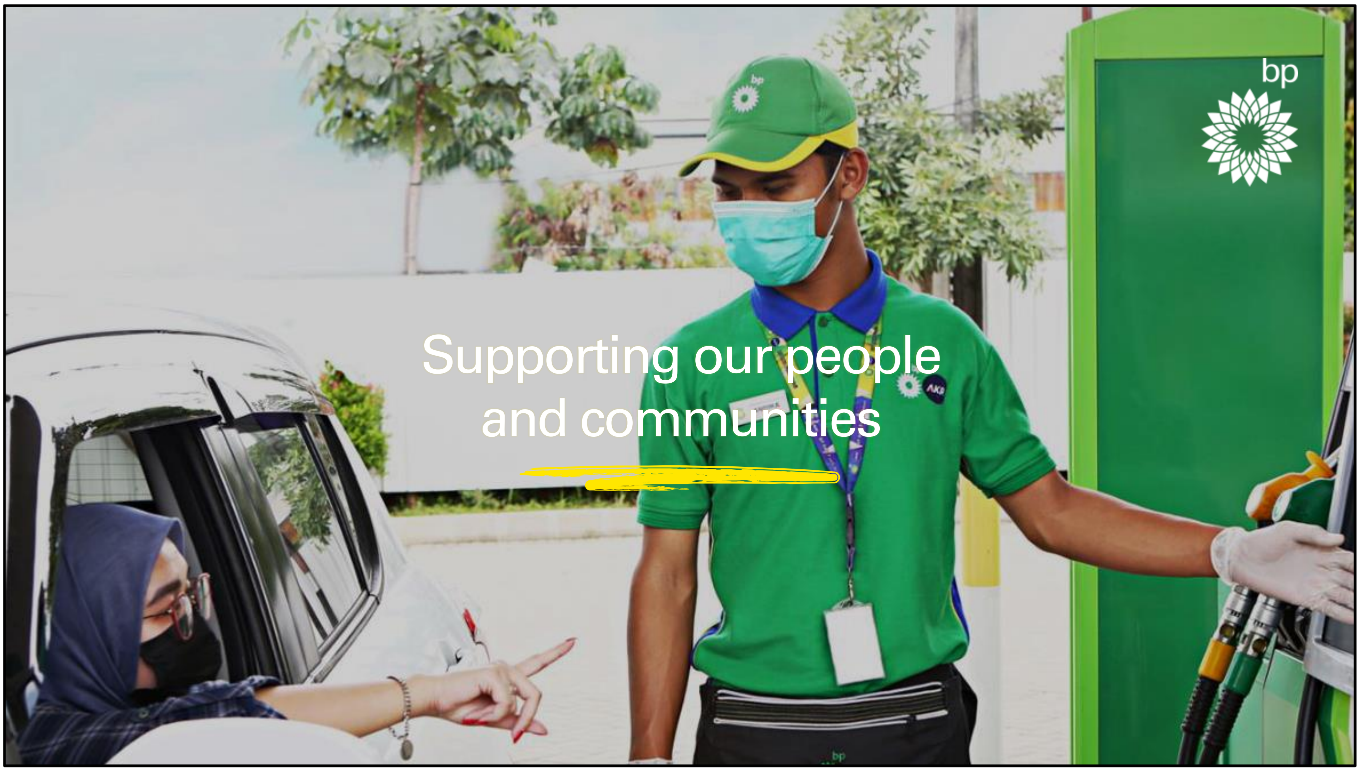
And safeguarding the company for our shareholders.

And it works well for us – we think of it as **"performing with purpose"** – and I think you will see this coming through in our results today.

In a moment Brian will look back on our performance over the first quarter.

And then Murray will take you through the steps we are taking to build resilience to the new environment – including the actions we are taking to adapt our financial framework.

But first I'd like to give you an overview of the three priorities and our response to the pandemic.



First and foremost, I want to say how much I am in awe of what our people are doing.

Our frontline staff are making real sacrifices every day out in the field or running our retail network.

And they are getting brilliant support from everyone working from home – dealing with extra demands and all the complications that go with that.

Thanks to their courage and resilience, we have had minimal disruption to our day to day operations.

We are focused on maintaining reliable operations, keeping BP safe and keeping our people safe.

Safe physically and safe mentally – recognizing that this pandemic is as much a mental challenge as a physical challenge. We may not all be infected, but we are all affected by it.

Across BP we are in action:

- In our operations we have new protocols for people going offshore and are taking a range of measures to keep our work environments safe, like making more space for our people to carry out their activities. And we continue to adapt those measures as needed, as the environment changes.

- At our retail sites we are installing screens and are providing protective equipment for staff. We are also helping customers to observe social distancing and boosting cleaning and sanitising regimes.

- Worldwide we are ramping up our use of digital resources and agile ways of working so that our global workforce stays fully connected; and

– We have been enhancing psychological support for our employees, because they are dealing with stressful demands. This pandemic is causing anxiety – and job security is going to be a major concern. With that in mind, we have committed – for 3 months – to no BP employee being laid off so that we can all remain focused on what’s most important during this immediate difficult period.

Across BP there has also been a huge desire to support the communities where our people live and work.

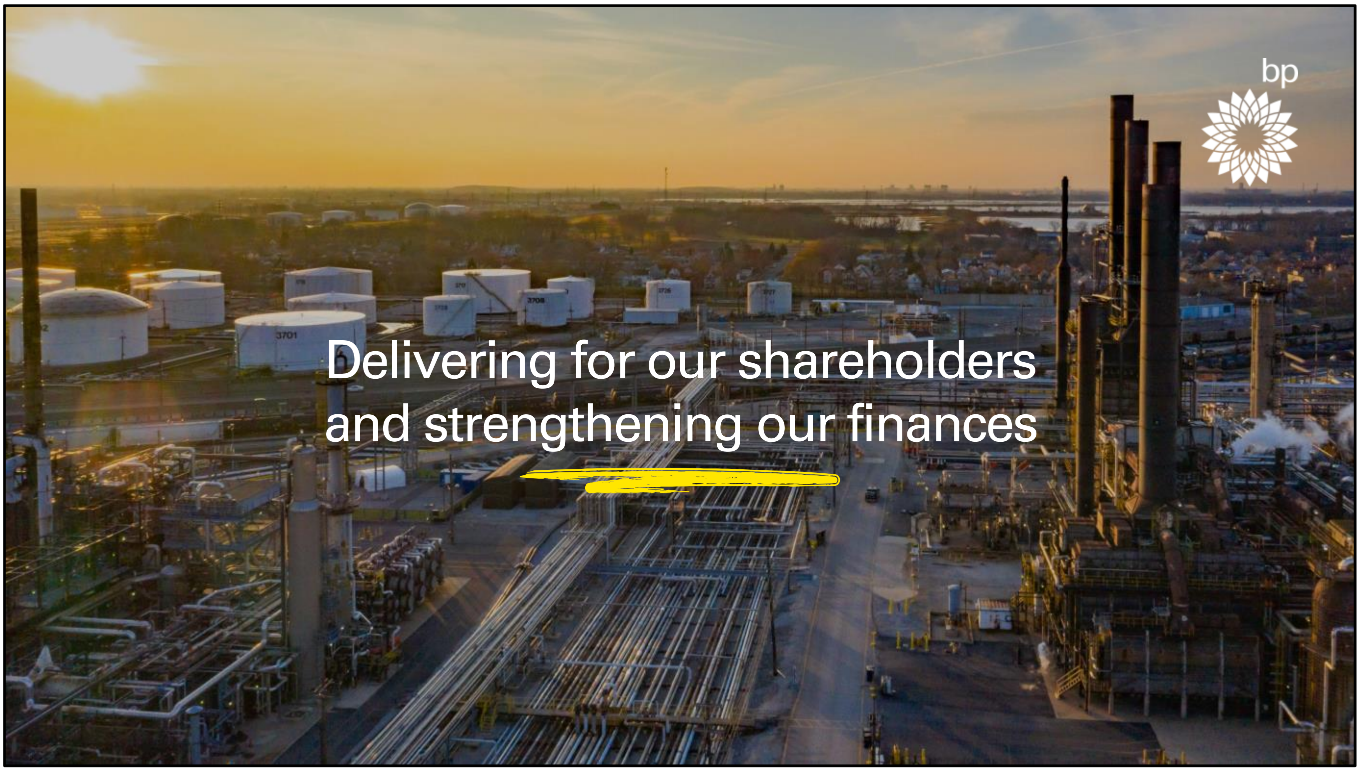
The BP leadership team has been facilitating this so we can support in every way possible – diverting resources and expertise, freeing up time for our people to volunteer, and providing financial support to organisations at the forefront of the fight against the virus. Examples include:

– Providing free or discounted fuel from our retail sites for emergency services and front-line personnel in many countries, as well as offering discounted or free food and beverages

– Making our supercomputer in Houston available to support the pandemic research being conducted by a White House-led coalition, as well as the expertise at our Biosciences centre in San Diego

– Committing significant donations to the COVID-19 solidarity response fund and MIND, the mental health charity. Helge Lund and I both believe that this is a mental health challenge as much as a physical health threat. And we are both donating 20% of our salaries for the rest of this year to mental health charities.

We are all after all, in this together. I am confident that by supporting each other, collectively as a society, we will make it through this crisis, and rebuild better and stronger.



These actions in no way compromise our long-term commitment to shareholders – if anything I believe they strengthen it. And we are hugely grateful for the support we have been receiving.

At the same time – we are focused on doing everything we can to strengthen our finances.

Our underlying business has been performing well.

But it has been a tough first quarter due to the challenging macro environment, which included impacts to our results through quarter-end as a result of lower prices, lower demand for our products, and foreign exchange effects.

And in the near-term, things are not getting any easier given the demand destruction we are seeing, which recently even led to negative pricing for WTI oil – something never seen before.

It is a so-called perfect storm. But we are calling on our vast experience of navigating through difficult circumstances.

We have a clear plan. We are executing it. And we are working from a strong foundation.

Our operations are performing well. We are delivering on the strategy we laid out in 2017. And on track to reduce our cash balance point in 2021.

To further strengthen this, we announced earlier this month a series of actions to strengthen our finances. These are underpinned by four, near-term objectives:

– Reinforce our liquidity position

- Drive our cash balance point lower
- Strengthen our balance sheet; and
- Enable the energy transition

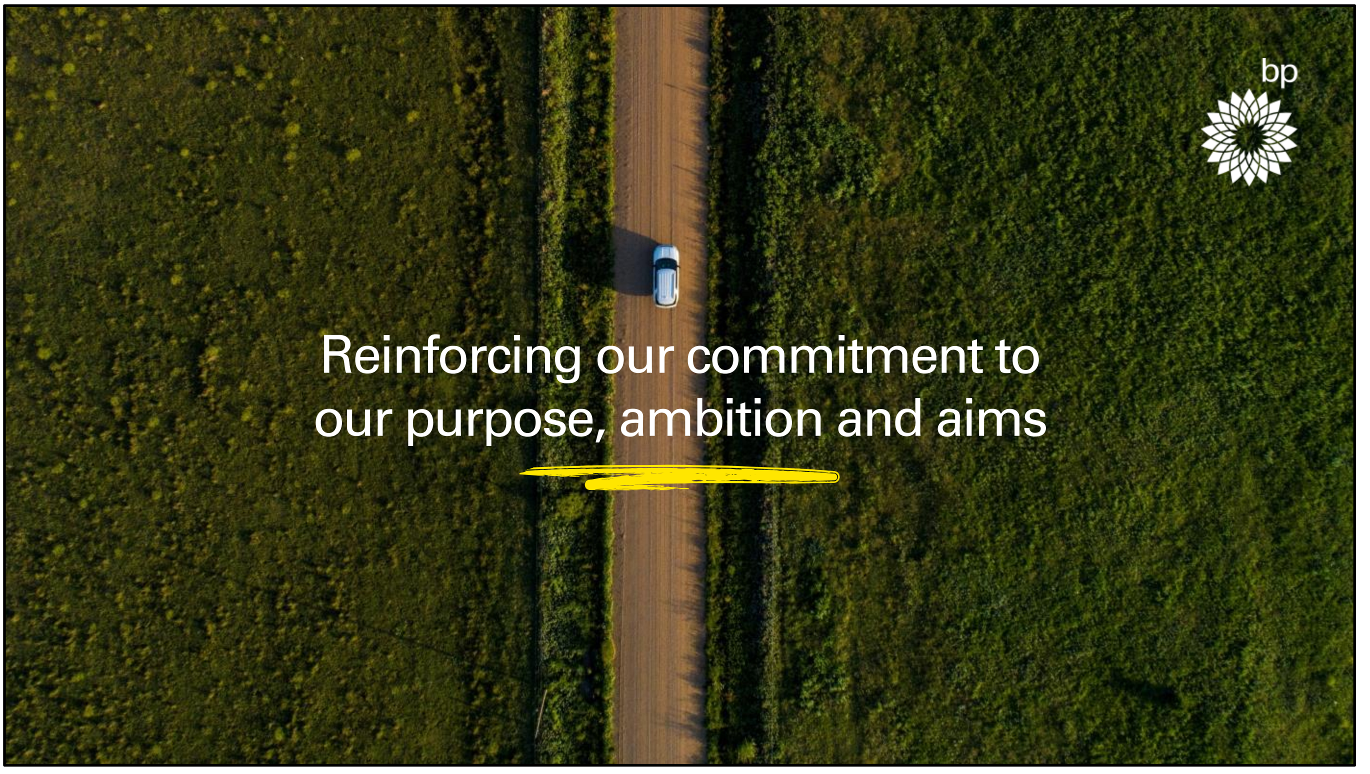
On the cash balance point objective – through the actions we are taking we now expect to drive the cash balance point in 2021 down further. To less than $35 per barrel Brent – which is below our previous guidance and also assumes a lower refining margin and gas price.

Together these four objectives support our continued commitment to our investor proposition of sustainably growing free cash flow and distributions to shareholders over the long-term.

The Board reviews the dividend every quarter taking account of current circumstances and the outlook at the time, and has been meeting weekly given the current exceptional events.

Given the underlying performance of the business in the first quarter, and the actions we are taking, we today announced a dividend of 10.5 cents per ordinary share for the first quarter.

Murray will update you further on the actions we are taking and how we are adapting our financial framework over the near-term.



Considering everything going on, some have understandably questioned our commitment to our ambition – and to reinventing BP.

On the 12th February we talked about our new purpose to reimagine energy for people and our planet.

We shared our new ambition to be net zero by 2050 or sooner, and to help the world get to net zero.

And we set out plans for reinventing BP to be more focused and more integrated.

We talked about being leaner, faster moving, lower carbon.

Those are all qualities we need in the crisis today – as well as the qualities we need when we come out the other side of it.

I would like to think we will be helping society build back to be more resilient and sustainable.

And to do that we have to be a strong company financially – one that delivers value over the long term for our investors.

As a leadership team, we believe it is more important than ever that we keep to our plans.

We are still working towards sharing more detail on all of this at our capital markets day in mid-September.

I hope we can do that in person – but if not – we will do it like this, virtually, if we need to.

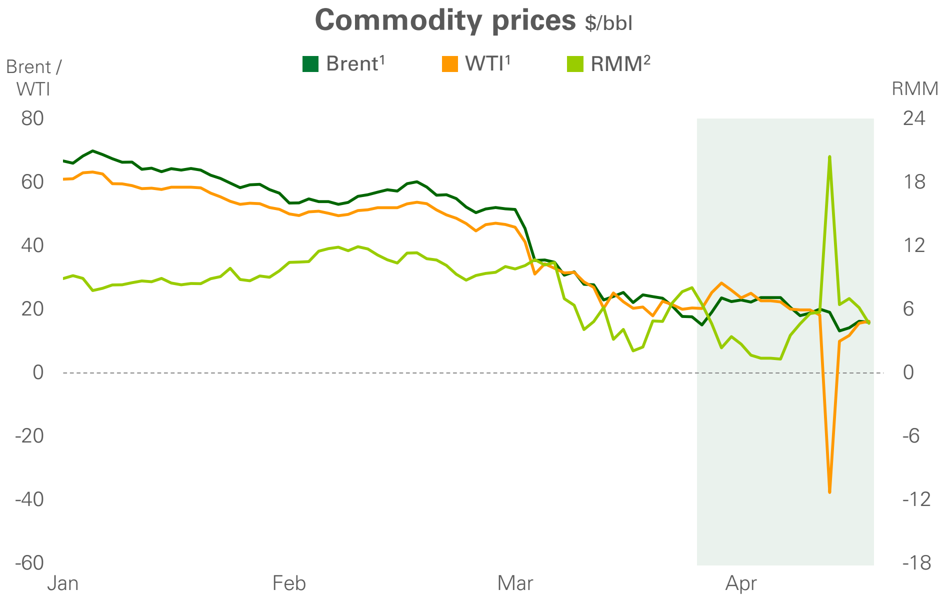
For now though, let me hand you over to Brian for what is his last time on the results call.

Brian Gilvary
CFO

Performance with purpose

Thanks Bernard and good morning everyone.

Environment



- 74% decline in Brent over 1Q, averaging $50/bbl
- Henry Hub average of $1.95/mmBtu in 1Q
- BP RMM[2] average of $8.80/bbl in 1Q

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

All data 1 January 2020 to 24 April 2020

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Turning firstly to the environment, where we have seen significant volatility.

Oil markets were initially impacted in January, as we started to see the coronavirus pandemic impacting commodity demand in Asia, notably in China. This situation was further compounded on the supply-side following the fallout from the OPEC plus and Russia production discussions in early March. And has since dramatically deteriorated with the COVID-19-driven collapse in global demand.

The impact on the global economy is severe, with the IMF now anticipating a 3% contraction in economic activity this year; this compares with a contraction of 0.1% in 2009 following the financial crisis. This economic backdrop, coupled with pre-existing supply and demand factors, has resulted in the exceptionally challenged commodity environment we see today. In March, Brent and BP's refining marker margin touched levels not seen for well over a decade, while Henry hub gas hit multi-year lows.

The pandemic has sharply reduced product demand, notably in the mobility sector. Flight cancellations have spiked and, compared with a year ago, traffic congestion has fallen by 60% on average across urban areas. Together, these factors have contributed to sharp falls in refining margins and utilisation.

The resulting reduction in demand for crude oil and products has begun to put severe pressure on storage and logistics. The effect on prices has been substantial and has promoted volatility such as the extraordinary negative prices seen in the May WTI contract expiry last week. In April, OPEC and its partners agreed to significant supply cuts which will help reduce the imbalance but is unlikely to prevent material supply shut ins by producers in the near-term, some of which may be difficult to reverse.

Gas markets were challenged before the pandemic following significant growth in supply over the last couple of years. The effects of the pandemic have compounded this, further lowering LNG demand and bringing liquefaction margins below operating costs in the United States.

Looking forward, there remains an exceptional level of uncertainty regarding the near-term outlook for prices and product demand. There is the risk of more sustained consequences depending on the efforts of governments, and the public and private sector, to manage the health, economic and financial stability effects of the pandemic. Given so many unknowns, our priority is to remain resilient to the near-term uncertainty and position BP for the longer-term.

1Q 2020 results summary

$bn	1Q19	4Q19	1Q20
Underlying replacement cost profit	2.4	2.6	0.8
Underlying operating cash flow[1]	5.9	7.6	1.2
Underlying RCPBIT[2]			
Upstream	2.9	2.7	1.9
Downstream	1.7	1.4	0.9
Rosneft[3]	0.6	0.4	(0.0)
Other businesses and corporate	(0.4)	(0.3)	(0.6)
Underlying earnings per share (cents)	11.7	12.7	3.9
Dividend paid per share (cents)	10.25	10.25	10.50
Dividend declared per share (cents)	10.25	10.50	10.50

1Q 2020 vs 4Q 2019

- Lower liquid and gas realisations
- A higher effective tax rate
- Lower Rosneft contribution
- Demand destruction in Downstream

(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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Moving to our results.

Despite the challenging environment, our underlying businesses performed well during the first quarter. Towards quarter-end we saw the impact of demand and price declines, with our financial results impacted by period end volatility in commodity prices and foreign exchange rates, as well as non-operating impairments and losses on sale of around $1.1 billion.

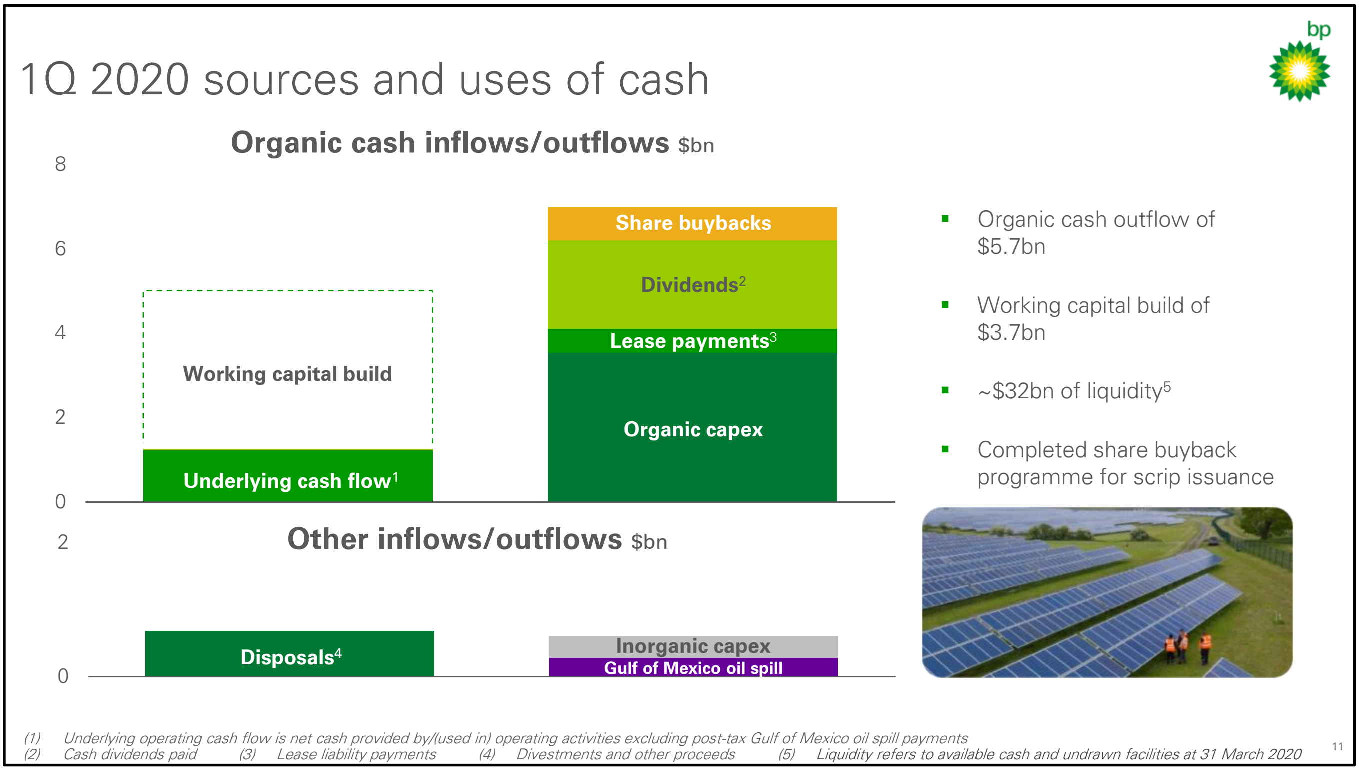
BP's first quarter underlying replacement cost profit was $800 million, compared to $2.4 billion a year ago and $2.6 billion in the fourth quarter of 2019.

Compared to the fourth quarter, the result reflects lower oil and gas realisations, a higher effective tax rate, and a lower estimated Rosneft contribution. It also includes growing demand destruction in the Downstream. The OB&C result was also impacted by $200 million of non-cash underlying foreign exchange effects, including foreign exchange translation impacts of finance debt in the BP Bunge Bioenergia joint venture.

Compared to a year ago, the result reflects lower oil and gas realisations, a lower estimated Rosneft contribution, a lower contribution from oil trading, and the demand destruction in the Downstream.

The underlying effective tax rate in the first quarter increased significantly to 55% reflecting charges for the reassessment of deferred tax assets.

The first quarter dividend, payable in the second quarter remains unchanged at 10.5 cents per ordinary share.



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

Excluding Gulf of Mexico oil spill related outgoings, BP's first quarter underlying operating cash flow was $1.2 billion, which reflected a working capital build of $3.7 billion. The working capital build reflects an increase in unsold product balances in the Downstream and net receivable imbalances in our supply and trading businesses, the majority of which we expect to reverse during the course of this year.

Organic capital expenditure was $3.5 billion in the first quarter.

Turning to inorganic cash flows. In the first quarter, divestment and other proceeds totalled $700 million and we made post-tax Gulf of Mexico payments of $300 million. Inorganic capital expenditure was $300 million.

We also completed our share buyback programme to offset scrip dividends, buying back 120 million ordinary shares in January, at a cost of $800 million.

At the end of the first quarter BP's gearing rose to 36%, largely due to the impact of the working capital build on net debt and foreign exchange impacts on equity. Adjusting for these factors, gearing would have been around 33%.

Finally, on a personal note, this is my final set of quarterly results before I retire from BP after 34 years with the company, and the best part of a decade as CFO. That last decade has seen our company navigate through some extraordinary challenging events, none more so that the one we are dealing with today, which is unprecedented in our lifetime. That said, the strength of BP through times of adversity and experience of the team under Bernard's leadership gives me huge confidence the organisation is well positioned to respond. We have a strong foundation and we are taking decisive action to improve the resilience of our financial frame. Murray and I have worked together for many years, and he has been leading this work to reposition the company.

It's been an absolute privilege for me to serve the company, our people and our shareholders. And with that, I would like to hand over to Murray to outline the actions we are taking to position the company for the future.

Thank you Brian, and good morning everyone.

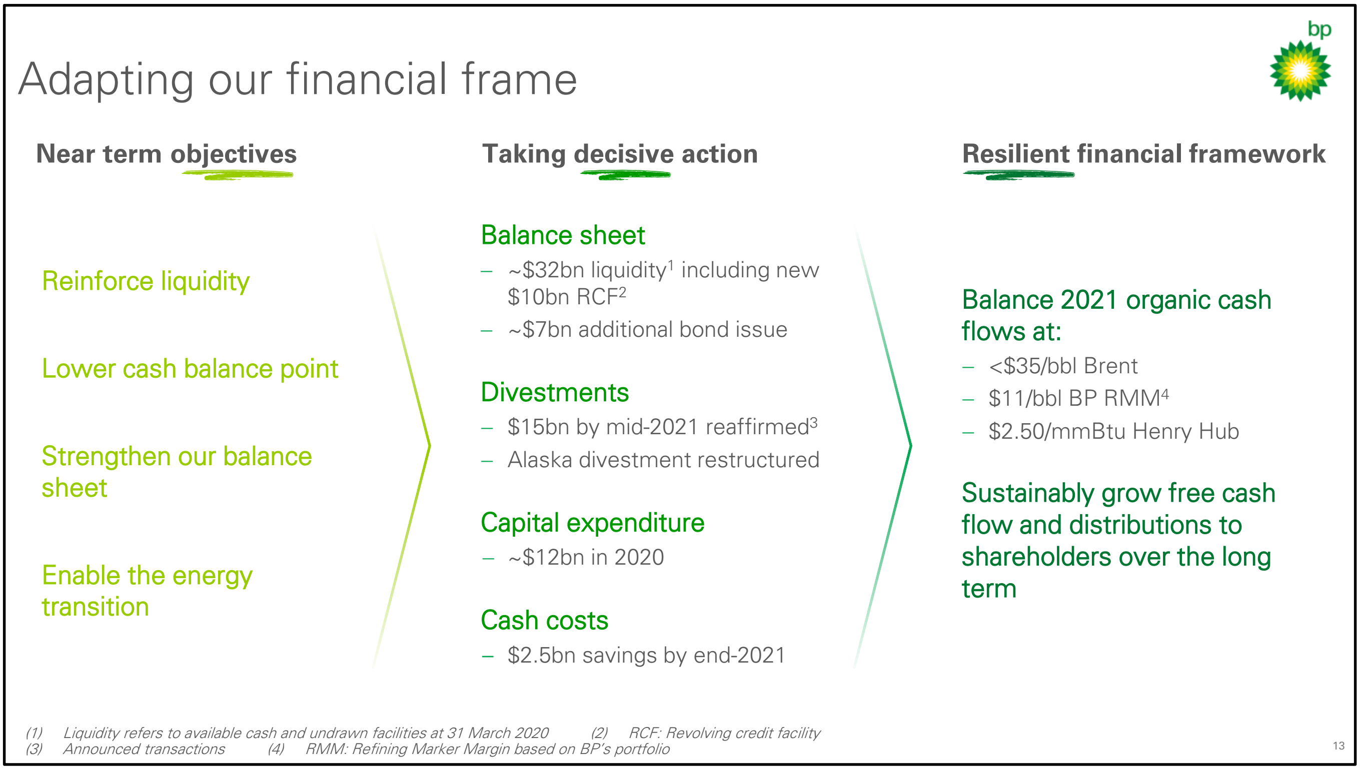
BP entered this challenging period with a strong portfolio, a disciplined financial framework and a strong liquidity position. That we have this is testament to Brian's stewardship as CFO over the last decade and I would like to offer my thanks to Brian for the great support that he is providing me through this transition.

This is the sixth downturn that I have seen in my career and as a leadership team we know how to respond. We are focused on maintaining liquidity and are taking thoughtful, but decisive, interventions to work our way, step-by-step, through this downturn.

With this in mind, I want to talk about two things:

– First, the actions we are taking to adapt our financial frame; and

– Second, updated guidance for 2020.



As Bernard has already outlined, we are focused on four near-term objectives to deliver an even more resilient financial framework. Underpinning those are a set of decisive actions, which we laid out in our market update at the start of the month.

We are strengthening our balance sheet.

At the end of the first quarter we had liquidity of around $32 billion. This included a new $10 billion revolving credit facility signed in March. And in early April, we raised around $7 billion of new bonds at competitive rates across the US and European debt capital markets. In addition, S&P and Moody's recently reaffirmed our investment grade credit ratings.

We also continue to evaluate further options available to us to strengthen our balance sheet beyond creating additional liquidity.

We are reducing our capital expenditure.

For 2020, we have reduced our group capital expenditure guidance to around $12 billion – a decrease of around 25%. Looking to 2021, we will flex our spend according to the environment, and have the ability to flex down an additional $1-2 billion if necessary.

In Upstream, most of the capital interventions are being made in areas where we do not expect a significant impact on 2020 cash generation at lower prices. This includes delaying exploration and appraisal activities, curtailing development activities in lower margin areas, as well as rephasing or minimising spend on projects in the early phases of development. Overall, we expect these capital interventions to reduce 2020 underlying production by around seventy thousand barrels of oil equivalent per day on an annual basis.

Looking ahead, as we complete the current phase of major project delivery our capital plans become increasingly flexible as we expect to transition towards shorter-cycle investments, such as in our BPX business, as well as opportunities around infrastructure led investment in our existing production hubs.

In Downstream, the capital expenditure reduction contribution is around $1 billion in 2020. Interventions are primarily related to growth projects and are also not expected to have a significant impact on our operating cash in the short term. Examples include project deferrals in manufacturing and a slow-down in the pace of retail site growth.

Meanwhile our investment in low-carbon activities remain unchanged, and in 2020 we expect to invest around $500 million.

We are also implementing measures to structurally lower our cash costs.

We expect to achieve cash cost savings of around $2.5 billion by the end of 2021 on a base of 2019. Part of this will come from cost saving measures across our business, as well as an important contribution from the actions we are taking to reinvent BP:

- The reorganisation Bernard launched on February 12th will remove duplication inherent in our current segment models;
- This includes the creation of a single global supply chain organisation that will provide cost efficiencies through improved purchasing leverage;
- We have invested massively over the past five years in digital, and we are moving to the next level of efficiency on this agenda through automation and centralisation;
- And last, we have been piloting Agile for years now and will push to the next level which allows for improved cycle times and de-layering;

As you can hear, we are passionate about this and we expect further significant savings from reinventing BP, and we plan to update you further at the capital markets day later in the year.

And finally, we continue to remain confident in delivering our planned divestments.

As announced, we have reconfirmed our commitment to completing the sale of our Alaska business to Hilcorp in 2020, subject to regulatory approvals. The total consideration of up to $5.6 billion is unchanged but the structure of the consideration and phasing of payments have been revised to respond to the current environment. The overall programme to deliver $15 billion of announced transactions by mid-2021 remains on track, although the current market environment remains challenging. We have delivered $10.1 billion of announced transactions since the start of 2019. The remaining $5 billion of divestments yet to be announced are underpinned by a wide range of options more than two times that size, including assets in less commodity sensitive businesses.

In summary, these actions represent a substantial response aimed at supporting our near-term objective of delivering a more resilient financial frame. We will continue to review these, and any further steps that may be appropriate, in response to changes in prevailing market conditions.

2020 guidance

Second quarter

Upstream

Lower reported production subject to:

- Significant uncertainties around implementation of OPEC+ restrictions
- Price impacts on entitlement volumes
- Divestments
- Market restrictions given lack of demand for oil; and
- COVID-19 operational impacts

Downstream

- Significantly lower product demand in European and North American marketing businesses
- Reduced refinery utilisation due to lower demand
- Significantly lower industry refining margins; and
- A lower level of North American heavy crude discounts

Full year

Upstream production excluding Rosneft	Lower than 2019[1]
Organic capital expenditure	~$12bn
DD&A	Slightly below 2019
Gulf of Mexico oil spill payments	<$1bn
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 business and corporate

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Turning then to guidance. Brian mentioned the challenging macro environment, and we expect to see the effect of this in our businesses for the foreseeable future.

Starting in the second quarter.

In Upstream, we expect second-quarter reported production to be lower compared to the first quarter. There are significant uncertainties with regard to the implementation of OPEC plus restrictions, price impacts on entitlement volumes, divestments, and market restrictions given the lower demand for oil and COVID-19 operational impacts.

In Downstream, we expect material impacts from COVID-19 in the second quarter.

In our fuels marketing business, we expect product demand to be significantly lower in our key European and North America businesses due to the actions taken by countries to limit the spread of COVID-19. In recent weeks we have seen our retail fuel volumes in these markets fall by around 50% and demand for aviation fuel fall by around 80%. Despite these fuel volume declines, our store sales have remained more resilient, demonstrating the strength of our convenience retail offer.

In Lubricants, demand has begun to recover in China in recent weeks, but has continued to fall in Europe, the US and India where volumes are currently down 50-90% compared to the same period last year.

In refining, we have an advantaged portfolio of manufacturing assets, strengthened through our multi-year business improvement programmes. However, we expect reduced utilisation due to the overall product demand declines as a result of COVID-19, as well as significantly lower refining margins. In addition, we expect a lower level of North American heavy crude discounts.

The annual payment relating to the Gulf of Mexico spill settlement is due in the second quarter. Our full year guidance in this area is unchanged.

Finally, the working capital position in the second quarter continues to be uncertain due to demand destruction and price volatility.

Overall, we expect the second quarter to represent a period of reset for our business, as we continue to navigate the challenging environment.

Moving now to the full year outlook.

In Upstream, we previously indicated that we expect underlying production, excluding Rosneft, to be lower than in 2019. Given the impact of capital interventions, OPEC plus quotas, and market-driven curtailments, together with other COVID-19 related disruptions, this remains a rapidly evolving situation and we will continue to provide updates as we move through this year.

We expect organic capital expenditure to be around $12 billion.

We expect further divestment proceeds throughout the year and will update as we progress our programme.

Our underlying effective tax rate is sensitive to the volatility in the current environment. Updates will be provided throughout the year.

We currently expect gearing to remain above the 20 to 30% target range into 2021 as a result of a number of the factors we have laid out. We continue to expect it to trend down over time reflecting receipt of divestment proceeds, reversal of first quarter working capital impacts, and as the interventions that I have outlined lower our cash balance point. In the meantime, we are focused on a broader suite of credit metrics as we look to protect our balance sheet and our cash flows.

Returning to our financial frame

In summary, while the external environment will have an impact on some elements of our prior guidance, specifically our 2021 segment free cash flow and ROACE, as well as gearing, we remain focused on creating a more resilient financial frame.

Through the actions we are taking to deliver on our near-term objectives, we expect to drive our 2021 cash balance point lower than previously guided. We now expect to rebalance our sources and uses of cash at a Brent price of below $35 per barrel, a Henry Hub price of

$2.50 per million British thermal units and a refining marker margin of $11 per barrel in 2021. The price assumptions for Henry Hub and refining marker margin are around 25% below our prior guidance.

And as Bernard described, this underpins our continued commitment to sustainably grow free cash flow and distributions to shareholders over the long term.

We expect to update on this framework as we move through the year, including at our capital markets day in September.

Thank you and let me now hand back to Bernard.

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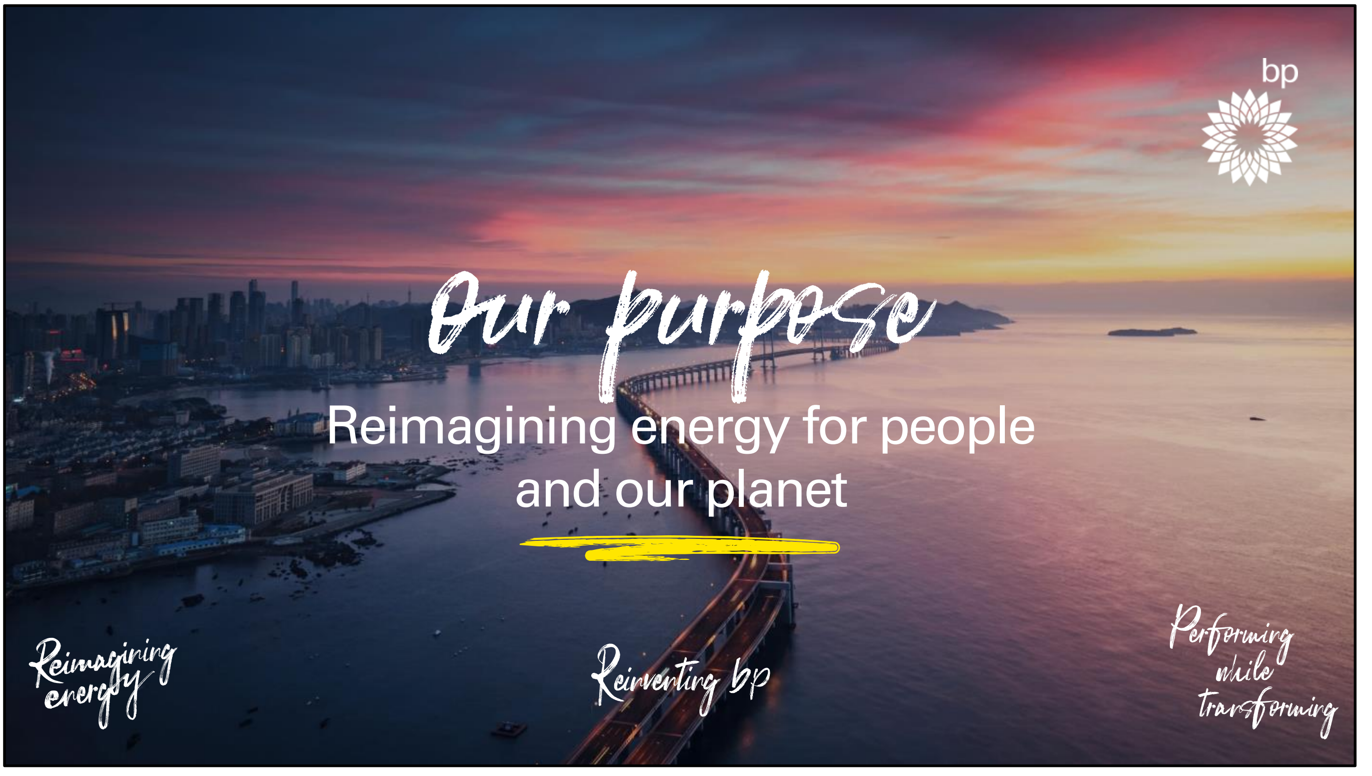
Bernard Looney
CEO

Performance with purpose

Thanks Murray.



I'll summarise in a moment, however before I do that, I'd like to cover two important issues.

Our AGM is approaching next month, and our strong recommendation is you vote now and appoint the chairman of the meeting as your proxy to ensure your votes count.

In terms of the event itself, we are keeping options open, but it is no surprise that this year is going to be very different to the usual gathering of shareholders.

We will find a way to conduct the business set out in the notice of AGM while complying with lockdown measures that may well still be in place.

We will update you, and all our shareholders, as soon as we can about how we do that. But for now, we are being as flexible as possible so that we can accommodate further changes should the Government enact emergency measures dictating how the meeting takes place.

The second of those important issues is to mark an historic moment.

This is Brian's 33rd and final set of quarterly results after nine years as CFO and 34 years at BP.

The strength and resilience of BP today owes a huge debt to his energy, his credibility, and his complete command of the finances.

He has been instrumental in our relationships with the investor community and I know we are all going to miss his passion, commitment, and judgement – and his candour.

We will give him a proper send-off when he leaves in July.

But for now, Brian, thank you for everything you have done for BP. And for everything I have learned from you over many years.

So, let me then quickly sum up what you have heard today.

First, BP is operating well thanks to good work done in recent years, as well as the outstanding courage and commitment of our team today.

Continuing to operate well, and staying safe, is our absolute focus every minute of every day.

Second, we are responding fast to adapt BP to the most brutal market conditions we have seen in a long time.

We can do that, and we will do that.

We know what is required.

We are adapting our financial framework through a focus on four near-term objectives to drive our cash balance point lower and support our ongoing commitment to sustainably growing free cash flow and distributions to our shareholders over the long-term.

And third, we are stepping up to help where our help is needed.

We believe that is the right thing to do – and helps fulfil our purpose to reimagine energy for people and our planet.

And I remain in awe of how so many of our colleagues are responding to the 'for people' part of our purpose.

We are performing with purpose, and I am confident we will come through this period stronger and able to deliver on our purpose and the net zero ambition we set out in February.

Thank you for listening and lets now turn to your questions.

Q&A

Brian Gilvary
CFO

Bernard Looney
CEO

Murray Auchincloss
CFO Designate

Craig Marshall
Head of IR

Performance with purpose

Appendix

Performance with purpose

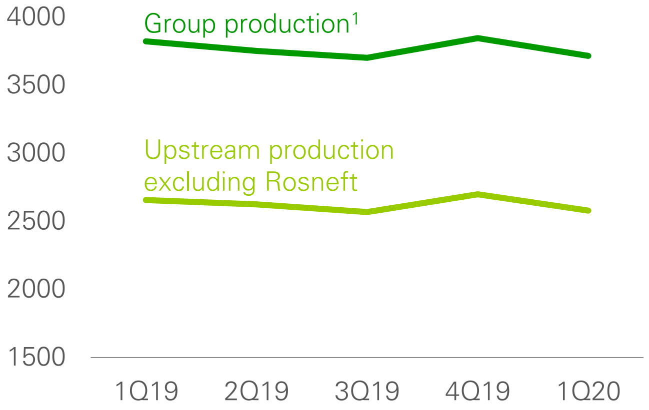
1Q 2020 summary

$bn	1Q19	4Q19	1Q20	% Y-o-Y	% Q-o-Q
Upstream	2.9	2.7	1.9		
Downstream	1.7	1.4	0.9		
Other businesses and corporate	(0.4)	(0.3)	(0.6)		
Underlying business RCPBIT[1]	**4.2**	**3.9**	**2.2**	**(47%)**	**(42%)**
Rosneft[2]	0.6	0.4	(0.0)		
Consolidation adjustment – unrealised profit in inventory	(0.0)	0.0	0.2		
Underlying RCPBIT[1]	**4.8**	**4.3**	**2.4**	**(50%)**	**(44%)**
Finance costs[3]	(0.8)	(0.8)	(0.7)		
Tax	(1.6)	(1.0)	(1.0)		
Minority interest	(0.1)	0.0	0.0		
Underlying replacement cost profit	**2.4**	**2.6**	**0.8**	**(66%)**	**(69%)**
Underlying effective tax rate[4]	40%	27%	55%		
Underlying operating cash flow[5]	5.9	7.6	1.2	(79%)	(84%)
Underlying earnings per share (cents)	11.7	12.7	3.9	(66%)	(69%)
Dividend paid per share (cents)	10.25	10.25	10.50	2%	2%
Dividend declared per share (cents)	10.25	10.50	10.50	2%	0%

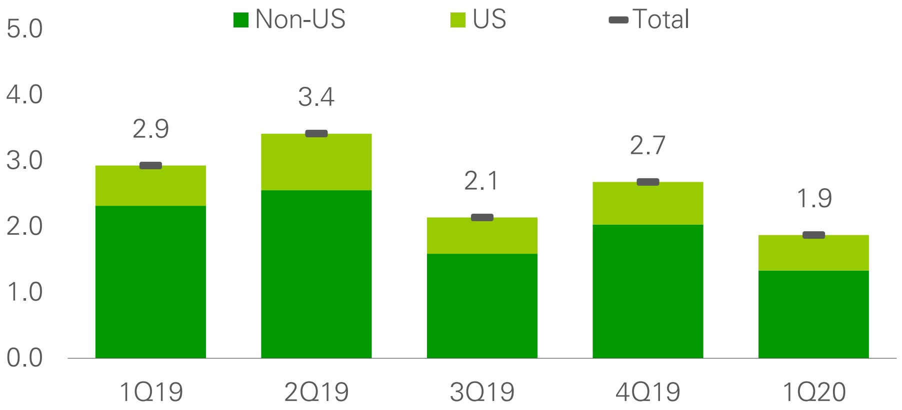
(1) Replacement cost profit before interest and tax (RCPBIT), adjusted for non-operating items and fair value accounting effects
(2) BP estimate of Rosneft earnings after interest, tax and minority interest
(3) Finance costs and net finance income or expense relating to pensions and other post-retirement 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

Upstream

Volume mboed



Underlying RCPBIT[3] $bn



Realisations[2]	1Q19	4Q19	1Q20
Liquids ($/bbl)	56	56	47
Gas ($/mcf)	4.0	3.1	2.8

1Q 2020 vs 4Q 2019

- Lower liquids and gas realisations

Partially offset by

- Very strong gas marketing and trading

(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

96%

Refining availability[1]

4Q19: 96%

Refining environment	1Q19	4Q19	1Q20
RMM ($/bbl)	10.2	12.4	8.8

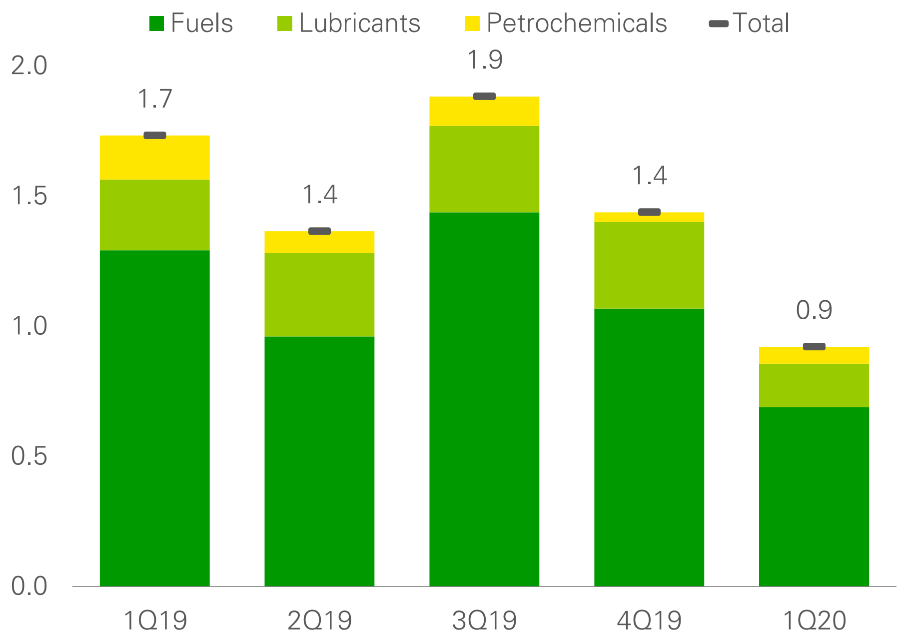
1Q 2020 vs 4Q 2019

- Lower industry refining margins;
- Weaker fuels and lubricants demand driven by COVID-19 impacts

Partially offset by

- Wider heavy crude oil discounts; and
- A lower level of turnaround activity

Underlying RCPBIT[2] $bn

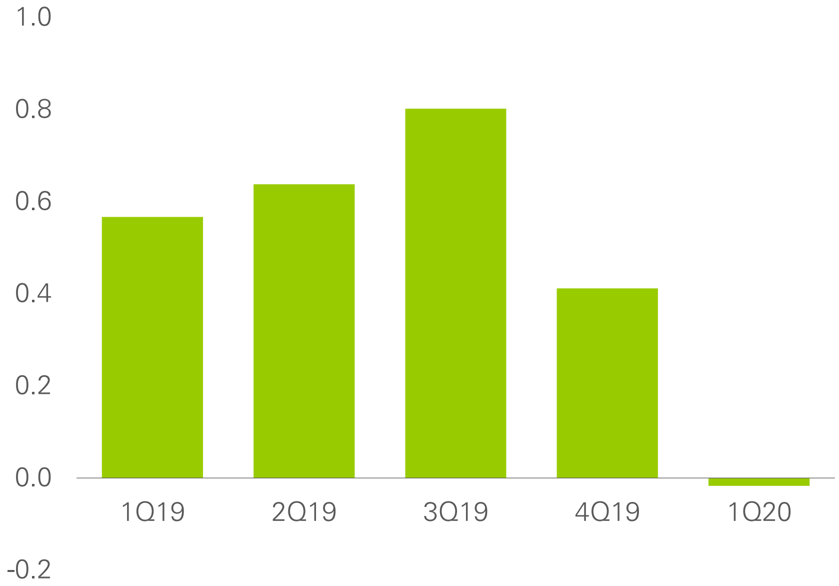


(1) BP-operated refining availability

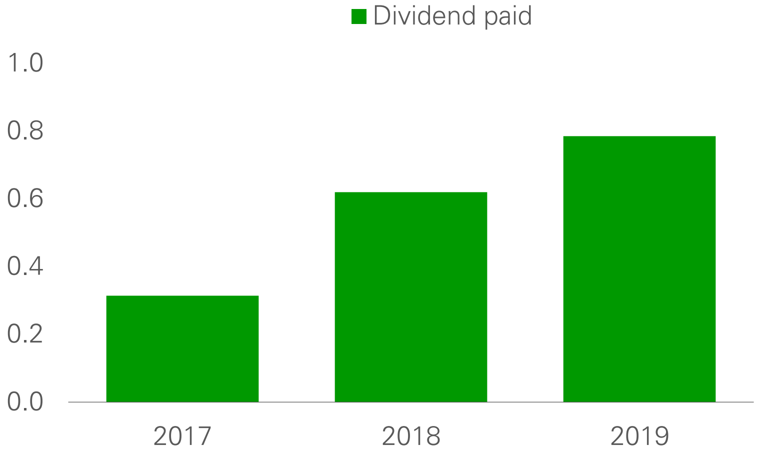
(2) Replacement cost profit before interest and tax (RCPBIT), adjusted for non-operating items and fair value accounting effects

Rosneft

BP share of underlying net income[1] $bn



BP share of Rosneft dividend[2] $bn



1.1mmboed

BP share of Rosneft production[3]

(1) *On a replacement cost basis and adjusted for non-operating items; 1Q20 represents BP estimate*
(2) *From 2018, represents BP's share of 50% of Rosneft's IFRS net profit, 2017 includes full year 2016 dividend and dividend relating to first half of 2017*
(3) *Average daily production for 1Q20*