

Financial and Operating Information 2006-2010



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Cautionary statement

BP Financial and Operating Information 2006-2010 contains certain forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations and businesses of BP and certain of the plans and objectives of BP with respect to these items.

In order to utilize the 'Safe Harbor' provisions of the United States Private Securities Litigation Reform Act of 1995, BP is providing the following cautionary statement. This document contains certain forward-looking statements with respect to the financial condition, results of operations and businesses of BP and certain of the plans and objectives of BP with respect to these items. These statements may generally, but not always, be identified by the use of words such as 'will', 'expects', 'is expected to', 'aims', 'should', 'may', 'objective', 'is likely to', 'intends', 'believes', 'plans', 'we see' or similar expressions. In particular, among other statements, (i) certain statements with regard to strategy, management aims and objectives, future capital expenditure, the completion of planned and announced divestments and disposals, acquisitions and other transactions, future hydrocarbon production volume and the group's ability to satisfy its long-term sales commitments from future supplies available to the group, date(s) or period(s) in which production is scheduled or expected to come onstream or a project or action is scheduled or expected to begin or be completed, capacity of planned plants or facilities and impact of health, safety and environmental regulations; (ii) the statements with regard to anticipated energy demand and consumption, global economic recovery, oil and gas prices, global reserves, refining capacity, expected future energy mix and the potential for cleaner and more efficient sources of energy, management aims and objectives, strategy, production, petrochemical and refining margins, anticipated investment in Alternative Energy, anticipated future project developments, growth of the international businesses, Refining and Marketing investments, reserves increases through technological developments, with regard to planned investment or other projects, timing and ability to complete announced transactions and future regulatory actions; (iii) the statements with regard to the plans of the group, the cost of and provision for future remediation programmes and environmental operating and capital expenditures, taxation, liquidity and costs for providing pension and other post-retirement benefits; and with regard to global economic recovery, oil and gas prices, petrochemical and refining margins, production, demand for petrochemicals, production and production growth, depreciation, underlying average quarterly charge from Other businesses and corporate, costs, foreign exchange and energy costs, capital expenditure, timing and proceeds of divestments, balance of cash inflows and outflows, dividend and optional scrip dividend, cash flows, shareholder distributions, gearing, working capital, guarantees, expected payments under contractual and commercial commitments and purchase obligations; and (iv) certain statements in relation to an anticipated increase in the level of the dividend; are all forward-looking in nature.

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 timing of bringing new fields onstream; future levels of industry product supply, demand and pricing; operational problems; general economic conditions; political stability and economic growth in relevant areas of the world; changes in laws and governmental regulations; actions by regulators; exchange rate fluctuations; development and use of new technology; the success or otherwise of partnering; the actions of competitors; natural disasters and adverse weather conditions; changes in public expectations and other changes to business conditions; wars and acts of terrorism or sabotage; and other factors discussed elsewhere in this document. In addition to factors set forth elsewhere in this document, those set out above are important factors, although not exhaustive, that may cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

Statements regarding competitive position

Statements referring to BP's competitive position are based on the company's belief and, in some cases, rely on a range of sources, including investment analysts' reports, independent market studies and BP's internal assessments of market share based on publicly available information about the financial results and performance of market participants.

This is BP

Interactive resources

Visit www.bp.com/investortools to chart our key financial and operating information for the past five years, on an annual or quarterly basis, for the BP group as a whole or by business segment.

BP p.l.c. is the parent company of the BP group of companies. Unless otherwise stated, the text does not distinguish between the activities and operations of the parent company and those of its subsidiaries.

BP is a leader in our industry and that position is reflected in our standards of social responsibility, corporate governance and financial and sustainability reporting, of which this document is part. For a complete view of BP's performance, this document should be read in conjunction with *BP Annual Report and Form 20-F 2010* and *BP Sustainability Report 2010*. Copies may be obtained free of charge (see page 87).



For more information
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These green arrows highlight sources of information you might find helpful. They refer to other general BP content available online, which does not form part of *BP Financial and Operating Information 2006-2010*.

BP is one of the world's leading international oil and gas companies^a. We operate or market our products in more than 80 countries, providing our customers with fuel for transportation, energy for heat and light, retail services and petrochemicals products for everyday items.

As a global group, our interests and activities are held or operated through subsidiaries, jointly controlled entities or associates established in – and subject to the laws and regulations of – many different jurisdictions. These interests and activities covered two business segments in 2010: Exploration and Production and Refining and Marketing. BP's activities in low-carbon energy are managed through our Alternative Energy business.

^a On the basis of market capitalization, proved reserves and production.

BP history at a glance

1909

The company is incorporated in England as the Anglo-Persian Oil Company Limited. The incorporation focuses on the commercialization of Masjid-i-Suleiman in Iran, the first commercial oil discovery in the Middle East.

1920s-1930s

The Anglo-Persian Oil Company Limited becomes the pre-eminent oil producer in the Middle East. The company enters into international marketing in continental Europe, Africa and Australia.

1922

After eight years of majority share ownership, the British government begins offering ordinary shares of Anglo-Persian Oil Company stock for sale to the public.

1954

The company name becomes The British Petroleum Company Limited. Marketing activities extend to New Zealand, parts of Africa and more countries in Europe. A consortium agreement for Iranian oil gives BP a 40% stake.

1969

BP enters North America with its discovery and major share of the Prudhoe Bay oil field on Alaska's North Slope. This leads in the following year to BP's taking a sizeable interest in Standard Oil of Ohio.



1978

BP gains a majority interest in Standard Oil. The company acquires the chemicals and plastics interests in Europe of Union Carbide and, in 1979, of Monsanto.

1987

Privatization of BP shares is completed. Following periodic public offerings of a minority of its shareholdings over the previous 65 years, the British government disposes of nearly all the remaining 32% shareholding in BP. In December, BP makes an offer to purchase Standard Oil. The deal is completed the following year.

1997

In response to mounting evidence and concern regarding greenhouse gas emissions and the rising temperature of the earth, BP becomes the first in its industry to state publicly the need for precautionary action on climate change.

1998

BP merges with Amoco, the world's largest industrial merger at the time, becoming one of three leaders in the oil and gas industry. The merger gives the combined companies the opportunity to compete through a highly distinctive set of people, assets and market positions.

2000

ARCO joins the BP group in a \$34-billion transaction that provides coast-to-coast coverage of the US fuels market. BP's acquisition of Burmah Castrol strengthens BP's market-facing business with one of the world's great brands.



2002

Acquisition of Veba's retail and refining assets in Germany and central Europe makes BP the market leader in Germany and Austria. BP markets under the Aral brand in Germany.

2003

TNK-BP, the joint venture between BP and AAR (the Alfa Group and Access-Renova), operating in Russia, is finalized. The venture gives BP a major stake in one of the world's great hydrocarbon provinces.

2005

BP sells its Innovene business, including its olefins and derivatives business and refineries in Grangemouth, UK and Lavéra, France, for \$8.3 billion cash. BP Alternative Energy, a new business dedicated to generating low-carbon power, is launched.

2009

Carl-Henric Svanberg succeeds Peter Sutherland as chairman. Production starts from Atlantis Phase 2, Dorado and King South in the Gulf of Mexico. This is the 17th consecutive year reported reserves replacement exceeds 100%.



2007

Tony Hayward succeeds Lord Browne as group chief executive. BP's deepwater projects – Atlantis in the Gulf of Mexico, and Greater Plutonio in Angola – start up. BP buys out the minority shareholding of its refinery in Rotterdam in the Netherlands from Chevron and sells its refinery in Coryton, UK.

2008

Thunder Horse – the largest semi-submersible facility in the world – comes onstream, and BP achieves resource replacement of more than 200% and reported reserves replacement of more than 100% in 2008.

2010

A tragic accident on the Deepwater Horizon rig claims the lives of 11 men and causes environmental damage in the Gulf of Mexico. BP's response effort involves co-ordinating some 48,000 people and more than 6,500 vessels. Bob Dudley succeeds Tony Hayward as group chief executive.

Images

1 Trans-Alaska pipeline,
Yukon River Bridge,
Alaska.

2 Atlantic LNG Facility,
Point Fortin, Trinidad.

3 Rotterdam refinery,
Holland.

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Basis of preparation BP prepares its consolidated financial statements included within *BP Financial and Operating Information 2006-2010* on the basis of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), IFRS as adopted by the European Union (EU). IFRS as adopted by the EU differs in certain respects from IFRS as issued by the IASB, however, the differences have no impact on the group's consolidated financial statements for the periods presented. The financial information presented herein has been prepared in accordance with the accounting policies expected to be used in preparing *BP Annual Report and Form 20-F 2011*, which do not differ significantly from those used in the *BP Annual Report and Form 20-F 2010*.

Financial performance

Highlights

	2006 ^b	2007	2008	2009	2010
Replacement cost profit (loss) for the year (\$ million)	22,537	18,370	25,593	13,955	(4,914)
per ordinary share (cents)	112.52	95.85	136.20	74.49	(26.17)
per American depositary share (dollars) ^a	6.75	5.75	8.17	4.47	(1.57)

^a One American depositary share (ADS) is equivalent to six 25-cent ordinary shares.

^b As reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

External environment

	2006	2007	2008	2009	2010
BP average liquids realizations (\$ per barrel (\$/bbl)) ^{a b}	59.23	67.45	90.20	56.26	73.41
BP average natural gas realizations (\$ per thousand cubic feet (\$/mcf)) ^b	4.72	4.53	6.00	3.25	3.97
Refining marker margin (\$/bbl) ^c	15.70	17.24	15.11	9.19	10.02

^a Crude oil and natural gas liquids (NGLs).

^b Realizations are based on sales of consolidated subsidiaries only, which excludes equity-accounted entities.

^c From 2011, we will be reporting a new refining indicator margin, replacing the GIM, which we call the refining marker margin (RMM). The refining marker margin is the average of regional indicator margins weighted for BP's crude refining capacity in each region. Each regional marker margin is based on product yields and a marker crude oil deemed appropriate for the region. 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.

Group income statement

For the year ended 31 December	\$ million				
	2006 ^d	2007	2008	2009	2010
Sales and other operating revenues	265,906	284,365	361,143	239,272	297,107
Earnings from jointly controlled entities – after interest and tax	3,553	3,135	3,023	1,286	1,175
Earnings from associates – after interest and tax	442	697	798	2,615	3,582
Interest and other income	701	754	736	792	681
Gains on sale of businesses and fixed assets	3,714	2,487	1,353	2,173	6,383
Total revenues and other income	274,316	291,438	367,053	246,138	308,928
Purchases	(187,183)	(200,766)	(266,982)	(163,772)	(216,211)
Production and manufacturing expenses	(21,730)	(24,225)	(26,756)	(23,202)	(64,615)
Production and similar taxes	(5,184)	(5,703)	(8,953)	(3,752)	(5,244)
Depreciation, depletion and amortization	(9,128)	(10,579)	(10,985)	(12,106)	(11,164)
Impairment and losses on sale of businesses and fixed assets	(549)	(1,679)	(1,733)	(2,333)	(1,689)
Exploration expense	(1,045)	(756)	(882)	(1,116)	(843)
Distribution and administration expenses ^a	(14,447)	(15,371)	(15,412)	(14,038)	(12,555)
Fair value gain (loss) on embedded derivatives	608	(7)	(111)	607	(309)
Profit (loss) before interest and taxation from continuing operations	35,658	32,352	35,239	26,426	(3,702)
Finance costs	(986)	(1,393)	(1,547)	(1,110)	(1,170)
Net finance income (expense) relating to pensions and other post-retirement benefits	470	652	591	(192)	47
Profit (loss) before taxation from continuing operations	35,142	31,611	34,283	25,124	(4,825)
Taxation	(12,516)	(10,442)	(12,617)	(8,365)	1,501
Profit (loss) from continuing operations	22,626	21,169	21,666	16,759	(3,324)
Profit (loss) from Innovene operations	(25)	–	–	–	–
Profit (loss) for the year	22,601	21,169	21,666	16,759	(3,324)
Attributable to					
BP shareholders	22,315	20,845	21,157	16,578	(3,719)
Minority interest	286	324	509	181	395
	22,601	21,169	21,666	16,759	(3,324)
Earnings per share – cents					
Profit (loss) for the year attributable to BP shareholders					
Basic	111.41	108.76	112.59	88.49	(19.81)
Diluted	110.56	107.84	111.56	87.54	(19.81)
Replacement cost results ^{b,c}					
Profit (loss) for the year	22,315	20,845	21,157	16,578	(3,719)
Inventory holding (gains) losses, net of tax	222	(2,475)	4,436	(2,623)	(1,195)
Replacement cost profit (loss) for the year	22,537	18,370	25,593	13,955	(4,914)
^a Research and development expenditure amounted to	395	566	595	587	780

^b Replacement cost profit or loss reflects the replacement cost of supplies. The replacement cost profit or loss for the period is arrived at by excluding from profit or loss inventory holding gains and losses and their associated tax effect. Replacement cost profit or loss for the group is not a recognized generally accepted accounting practice (GAAP) measure. The equivalent measure on an International Finance Reporting Standards (IFRS) basis is 'profit (loss) for the year'. Inventory holding gains and losses represent the difference between the cost of sales calculated using the average cost to BP of supplies acquired during the period and the cost of sales calculated on the first-in first-out (FIFO) method after adjusting for any changes in provisions where the net realizable value of the inventory is lower than its cost. Under the FIFO method, which we use for IFRS reporting, the cost of inventory charged to the income statement is based on its historic cost of purchase, or manufacture rather than its replacement cost. In volatile energy markets, this can have a significant distorting effect on reported income. The amounts disclosed represent the difference between the charge (to the income statement) for inventory on a FIFO basis (after adjusting for any related movements in net realizable value provisions) and the charge that would have arisen if an average cost of supplies was used for the period. For this purpose, the average cost of supplies during the period is principally calculated on a monthly basis by dividing the total cost of inventory acquired in the period by the number of barrels acquired. The amounts disclosed are not separately reflected in the financial statements as a gain or loss. No adjustment is made in respect of the cost of inventories held as part of a trading position and certain other temporary inventory positions. Management believes this information is useful to illustrate to investors the fact that crude oil and product prices can vary significantly from period to period and that the impact on our reported result under IFRS can be significant. Inventory holding gains and losses vary from period to period due principally to changes in oil prices as well as changes to underlying inventory levels. In order for investors to understand the operating performance of the group excluding the impact of oil price changes on the replacement of inventories, and to make comparisons of operating performance between reporting periods, BP's management believes it is helpful to disclose this information.

^c Profit (loss) attributable to BP shareholders.

^d As reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

Summarized group income statement by quarter

	Q1	Q2 ^b	Q3	Q4	2006 ^b	Q1	Q2	Q3	Q4	2007
Replacement cost results										
Replacement cost profit (loss) before interest and tax ^a										
By business										
Exploration and Production	7,126	8,244	10,078	5,578	31,026	6,306	7,119	6,307	7,870	27,602
Refining and Marketing	1,498	2,358	1,480	325	5,661	804	2,742	371	(1,296)	2,621
Other businesses and corporate	(89)	(177)	(225)	(350)	(841)	(98)	(173)	(511)	(427)	(1,209)
Gulf of Mexico oil spill response	—	—	—	—	—	—	—	—	—	—
Consolidation adjustment	(24)	(260)	436	(87)	65	42	(98)	103	(267)	(220)
Replacement cost profit (loss) before interest and tax from continuing operations	8,511	10,165	11,769	5,466	35,911	7,054	9,590	6,270	5,880	28,794
Finance costs and net finance income (expense) relating to pensions and other post-retirement benefits	(143)	(107)	(117)	(149)	(516)	(171)	(155)	(173)	(242)	(741)
Replacement cost profit (loss) before taxation from continuing operations	8,368	10,058	11,652	5,317	35,395	6,883	9,435	6,097	5,638	28,053
Taxation on a replacement cost basis	(2,810)	(3,241)	(4,824)	(1,672)	(12,547)	(2,357)	(2,882)	(1,982)	(2,138)	(9,359)
Replacement cost profit (loss) from continuing operations	5,558	6,817	6,828	3,645	22,848	4,526	6,553	4,115	3,500	18,694
Replacement cost profit (loss) from Innovene operations	(103)	78	—	—	(25)	—	—	—	—	—
Replacement cost profit (loss) for the period	5,455	6,895	6,828	3,645	22,823	4,526	6,553	4,115	3,500	18,694
Attributable to										
BP shareholders	5,384	6,818	6,765	3,570	22,537	4,444	6,488	4,043	3,395	18,370
Minority interest	71	77	63	75	286	82	65	72	105	324
Replacement cost profit (loss) for the period	5,455	6,895	6,828	3,645	22,823	4,526	6,553	4,115	3,500	18,694
Earnings on replacement cost profit (loss) per ordinary share – cents	26.24	33.75	34.06	18.47	112.52	22.93	33.75	21.27	17.90	95.85
per ADS – dollars	1.57	2.03	2.04	1.11	6.75	1.38	2.03	1.28	1.07	5.75
Replacement cost profit (loss) for the period	5,455	6,895	6,828	3,645	22,823	4,526	6,553	4,115	3,500	18,694
Inventory holding gains (losses), net of tax	239	763	(534)	(690)	(222)	220	888	363	1,004	2,475
Profit (loss) for the period	5,694	7,658	6,294	2,955	22,601	4,746	7,441	4,478	4,504	21,169
Earnings on profit (loss) per ordinary share – cents										
Basic	27.40	37.49	31.46	15.04	111.41	24.06	38.37	23.18	23.15	108.76
Diluted	27.13	37.12	31.40	14.88	110.56	23.94	38.18	23.07	22.65	107.84
per ADS – dollars										
Basic	1.64	2.25	1.89	0.90	6.68	1.44	2.30	1.39	1.39	6.52
Diluted	1.63	2.23	1.88	0.89	6.63	1.44	2.29	1.38	1.36	6.47
Earnings on profit (loss) from continuing operations per ordinary share – cents										
Basic	27.90	37.12	31.46	15.04	111.54	24.06	38.37	23.18	23.15	108.76
Diluted	27.63	36.74	31.40	14.88	110.68	23.94	38.18	23.07	22.65	107.84
per ADS – dollars										
Basic	1.67	2.23	1.89	0.90	6.69	1.44	2.30	1.39	1.39	6.52
Diluted	1.66	2.20	1.88	0.89	6.64	1.44	2.29	1.38	1.36	6.47

^aReplacement cost profit or loss is before inventory holding gains and losses. See page 7 for more information.

^bAs reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

Summarized group income statement by quarter continued

\$ million														
Q1	Q2	Q3	Q4	2008	Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010
10,072	10,771	12,709	4,756	38,308	4,320	5,046	6,929	8,505	24,800	8,292	6,244	8,350	8,000	30,886
1,249	539	1,972	416	4,176	1,090	680	916	(1,943)	743	729	2,075	1,787	964	5,555
(213)	(314)	(16)	(680)	(1,223)	(761)	(583)	(586)	(392)	(2,322)	(328)	(70)	(568)	(550)	(1,516)
—	—	—	—	—	—	—	—	—	—	—	(32,192)	(7,656)	(1,010)	(40,858)
(784)	(221)	838	633	466	(405)	76	104	(492)	(717)	208	98	85	56	447
10,324	10,775	15,503	5,125	41,727	4,244	5,219	7,363	5,678	22,504	8,901	(23,845)	1,998	7,460	(5,486)
(246)	(221)	(238)	(251)	(956)	(368)	(321)	(311)	(302)	(1,302)	(228)	(214)	(335)	(346)	(1,123)
10,078	10,554	15,265	4,874	40,771	3,876	4,898	7,052	5,376	21,202	8,673	(24,059)	1,663	7,114	(6,609)
(3,729)	(3,696)	(5,099)	(2,145)	(14,669)	(1,454)	(1,714)	(2,052)	(1,846)	(7,066)	(2,966)	7,188	272	(2,404)	2,090
6,349	6,858	10,166	2,729	26,102	2,422	3,184	5,000	3,530	14,136	5,707	(16,871)	1,935	4,710	(4,519)
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6,349	6,858	10,166	2,729	26,102	2,422	3,184	5,000	3,530	14,136	5,707	(16,871)	1,935	4,710	(4,519)
6,231	6,746	10,029	2,587	25,593	2,387	3,140	4,981	3,447	13,955	5,598	(16,973)	1,847	4,614	(4,914)
118	112	137	142	509	35	44	19	83	181	109	102	88	96	395
6,349	6,858	10,166	2,729	26,102	2,422	3,184	5,000	3,530	14,136	5,707	(16,871)	1,935	4,710	(4,519)
33.01	35.83	53.43	13.93	136.20	12.75	16.76	26.59	18.38	74.49	29.82	(90.35)	9.83	24.55	(26.17)
1.98	2.15	3.21	0.84	8.17	0.77	1.01	1.60	1.10	4.47	1.79	(5.42)	0.59	1.47	(1.57)
6,349	6,858	10,166	2,729	26,102	2,422	3,184	5,000	3,530	14,136	5,707	(16,871)	1,935	4,710	(4,519)
863	2,612	(1,980)	(5,931)	(4,436)	175	1,245	355	848	2,623	481	(177)	(62)	953	1,195
7,212	9,470	8,186	(3,202)	21,666	2,597	4,429	5,355	4,378	16,759	6,188	(17,048)	1,873	5,663	(3,324)
37.58	49.70	42.93	(17.62)	112.59	13.69	23.41	28.48	22.90	88.49	32.39	(91.29)	9.50	29.62	(19.81)
37.25	49.23	42.56	(17.62)	111.56	13.54	23.16	28.18	22.64	87.54	31.99	(91.29)	9.38	29.28	(19.81)
2.25	2.98	2.58	(1.06)	6.75	0.82	1.40	1.71	1.37	5.31	1.94	(5.48)	0.57	1.78	(1.19)
2.24	2.95	2.55	(1.06)	6.69	0.81	1.39	1.69	1.36	5.25	1.92	(5.48)	0.59	1.76	(1.19)
37.58	49.70	42.93	(17.62)	112.59	13.69	23.41	28.48	22.90	88.49	32.39	(91.29)	9.50	29.62	(19.81)
37.25	49.23	42.56	(17.62)	111.56	13.54	23.16	28.18	22.64	87.54	31.99	(91.29)	9.38	29.28	(19.81)
2.25	2.98	2.58	(1.06)	6.75	0.82	1.40	1.71	1.37	5.31	1.94	(5.48)	0.57	1.78	(1.19)
2.24	2.95	2.55	(1.06)	6.69	0.81	1.39	1.69	1.36	5.25	1.92	(5.48)	0.59	1.76	(1.19)

Replacement cost profit (loss) before interest and tax by business and geographical area

	Q1	Q2 ^a	Q3	Q4	2006 ^a	Q1	Q2	Q3	Q4	2007
By business										
Exploration and Production										
US	2,500	2,476	3,958	1,068	10,002	1,731	2,183	1,775	2,240	7,929
Non-US	4,626	5,768	6,120	4,510	21,024	4,575	4,936	4,532	5,630	19,673
	7,126	8,244	10,078	5,578	31,026	6,306	7,119	6,307	7,870	27,602
Refining and Marketing										
US	636	1,250	388	(416)	1,858	129	966	(522)	(1,805)	(1,232)
Non-US	862	1,108	1,092	741	3,803	675	1,776	893	509	3,853
	1,498	2,358	1,480	325	5,661	804	2,742	371	(1,296)	2,621
Other businesses and corporate										
US	(98)	(27)	58	(342)	(409)	(133)	(128)	(363)	(336)	(960)
Non-US	9	(150)	(283)	(8)	(432)	35	(45)	(148)	(91)	(249)
	(89)	(177)	(225)	(350)	(841)	(98)	(173)	(511)	(427)	(1,209)
	8,535	10,425	11,333	5,553	35,846	7,012	9,688	6,167	6,147	29,014
Gulf of Mexico oil spill response	—	—	—	—	—	—	—	—	—	—
Consolidation adjustment	(24)	(260)	436	(87)	65	42	(98)	103	(267)	(220)
Total for continuing operations	8,511	10,165	11,769	5,466	35,911	7,054	9,590	6,270	5,880	28,794
Innovene operations										
US	7	(6)	—	15	16	—	—	—	—	—
Non-US	(103)	(82)	—	(15)	(200)	—	—	—	—	—
	(96)	(88)	—	—	(184)	—	—	—	—	—
Total for period	8,415	10,077	11,769	5,466	35,727	7,054	9,590	6,270	5,880	28,794
By geographical area										
US	3,071	3,432	4,784	230	11,517	1,756	2,933	983	(91)	5,581
Non-US	5,440	6,733	6,985	5,236	24,394	5,298	6,657	5,287	5,971	23,213
Total for continuing operations	8,511	10,165	11,769	5,466	35,911	7,054	9,590	6,270	5,880	28,794

^aAs reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

Replacement cost profit (loss) before interest and tax by business and geographical area continued

\$ million														
Q1	Q2	Q3	Q4	2008	Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010
3,085	3,601	3,739	1,299	11,724	1,143	1,161	1,864	2,517	6,685	2,762	1,798	3,602	1,522	9,684
6,987	7,170	8,970	3,457	26,584	3,177	3,885	5,065	5,988	18,115	5,530	4,446	4,748	6,478	21,202
10,072	10,771	12,709	4,756	38,308	4,320	5,046	6,929	8,505	24,800	8,292	6,244	8,350	8,000	30,886
154	(401)	338	(735)	(644)	308	(326)	(229)	(2,331)	(2,578)	(63)	757	220	21	935
1,095	940	1,634	1,151	4,820	782	1,006	1,145	388	3,321	792	1,318	1,567	943	4,620
1,249	539	1,972	416	4,176	1,090	680	916	(1,943)	743	729	2,075	1,787	964	5,555
(152)	(185)	(288)	(277)	(902)	(279)	(129)	(179)	(141)	(728)	(231)	(119)	(156)	(225)	(731)
(61)	(129)	272	(403)	(321)	(482)	(454)	(407)	(251)	(1,594)	(97)	49	(412)	(325)	(785)
(213)	(314)	(16)	(680)	(1,223)	(761)	(583)	(586)	(392)	(2,322)	(328)	(70)	(568)	(550)	(1,516)
11,108	10,996	14,665	4,492	41,261	4,649	5,143	7,259	6,170	23,221	8,693	8,249	9,569	8,414	34,925
—	—	—	—	—	—	—	—	—	—	—	(32,192)	(7,656)	(1,010)	(40,858)
(784)	(221)	838	633	466	(405)	76	104	(492)	(717)	208	98	85	56	447
10,324	10,775	15,503	5,125	41,727	4,244	5,219	7,363	5,678	22,504	8,901	(23,845)	1,998	7,460	(5,486)
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10,324	10,775	15,503	5,125	41,727	4,244	5,219	7,363	5,678	22,504	8,901	(23,845)	1,998	7,460	(5,486)
2,621	3,267	4,419	371	10,678	854	730	1,516	(294)	2,806	2,590	(29,171)	(3,891)	385	(30,087)
7,703	7,508	11,084	4,754	31,049	3,390	4,489	5,847	5,972	19,698	6,311	5,326	5,889	7,075	24,601
10,324	10,775	15,503	5,125	41,727	4,244	5,219	7,363	5,678	22,504	8,901	(23,845)	1,998	7,460	(5,486)

Non-operating items by business

	Q1	Q2 ^e	Q3	Q4	2006 ^e	Q1	Q2	Q3	Q4	2007
Exploration and Production										
Impairment and gain (loss) on sale of businesses and fixed assets	9	329	1,897	175	2,410	605	102	1	149	857
Environmental and other provisions	–	–	(17)	–	(17)	–	–	(12)	–	(12)
Restructuring, integration and rationalization costs	–	–	–	–	–	–	–	–	(186)	(186)
Fair value gain (loss) on embedded derivatives	(450)	256	501	296	603	152	276	21	(449)	–
Other	–	–	–	(433)	(433)	–	–	–	(168)	(168)
	(441)	585	2,381	38	2,563	757	378	10	(654)	491
Refining and Marketing										
Impairment and gain (loss) on sale of businesses and fixed assets ^a	563	112	–	51	726	(179)	767	105	(728)	(35)
Environmental and other provisions	–	–	(33)	–	(33)	–	–	(138)	–	(138)
Restructuring, integration and rationalization costs	–	–	–	–	–	–	–	–	(118)	(118)
Fair value gain (loss) on embedded derivatives	–	–	–	–	–	–	–	–	–	–
Other	–	(76)	(400)	(104)	(580)	(50)	–	(311)	(300)	(661)
	563	36	(433)	(53)	113	(229)	767	(344)	(1,146)	(952)
Other businesses and corporate										
Impairment and gain (loss) on sale of businesses and fixed assets	2	21	(8)	14	29	31	(15)	(7)	(23)	(14)
Environmental and other provisions	–	–	96	(2)	94	–	–	(35)	–	(35)
Restructuring, integration and rationalization costs	–	–	–	–	–	–	–	–	(34)	(34)
Fair value gain (loss) on embedded derivatives	8	5	(8)	–	5	3	7	(7)	(10)	(7)
Other	–	–	–	(200)	(200)	–	–	(152)	(20)	(172)
	10	26	80	(188)	(72)	34	(8)	(201)	(87)	(262)
Gulf of Mexico oil spill response	–	–	–	–	–	–	–	–	–	–
Total before interest and taxation for continuing operations	132	647	2,028	(203)	2,604	562	1,137	(535)	(1,887)	(723)
Finance costs ^b	–	–	–	–	–	–	–	–	–	–
Total before taxation for continuing operations	132	647	2,028	(203)	2,604	562	1,137	(535)	(1,887)	(723)
Taxation credit (charge) ^c	(44)	(232)	(840)	64	1,052	(192)	(347)	174	715	350
Total after taxation for continuing operations	88	415	1,188	(139)	1,552	370	790	(361)	(1,172)	(373)
Innovene operations	(96)	(88)	–	–	(184)	–	–	–	–	–
Total before taxation for Innovene operations^d	(96)	(88)	–	–	(184)	–	–	–	–	–
Taxation credit (charge)	(7)	–	–	–	(7)	–	–	–	–	–
Total after taxation for Innovene operations	(103)	(88)	–	–	(191)	–	–	–	–	–
Total after taxation	(15)	327	1,188	(139)	1,361	370	790	(361)	(1,172)	(373)

^aIncludes the impairment of goodwill allocated to the US West Coast fuels value chain of \$1,579 million in the fourth quarter of 2009.

^bThird and fourth quarter 2010 finance costs relate to the Gulf of Mexico oil spill. For more information see page 18.

^cTaxation is calculated using the quarter's effective tax rate (excluding the impact of the Gulf of Mexico oil spill) on replacement cost profit or loss. However, the US statutory tax rate has been used for expenditures relating to the Gulf of Mexico oil spill that qualify for tax relief. For the fourth quarter and full year in 2009, no tax credit was calculated on the goodwill impairment in Refining and Marketing because the charge is not tax deductible.

^dIncludes the loss on remeasurement to fair value of \$184 million in 2006, recognized as an \$88-million loss in the second quarter of 2006 and a \$96-million loss in the first quarter of 2006.

^eAs reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

Non-operating items by business continued

\$ million														
Q1	Q2	Q3	Q4	2008	Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010
21	111	33	(1,180)	(1,015)	73	359	72	1,070	1,574	(13)	660	1,735	1,430	3,812
–	(5)	(7)	–	(12)	–	–	3	–	3	–	–	(54)	–	(54)
(44)	–	(6)	(7)	(57)	(1)	(6)	1	(4)	(10)	(104)	(13)	(6)	(14)	(137)
(684)	(2,082)	1,098	1,505	(163)	243	154	370	(103)	664	146	(452)	20	(23)	(309)
331	–	–	(74)	257	(4)	–	25	13	34	12	(134)	46	(37)	(113)
(376)	(1,976)	1,118	244	(990)	311	507	471	976	2,265	41	61	1,741	1,356	3,199
814	(13)	114	(114)	801	(21)	(52)	(13)	(1,518)	(1,604)	(45)	270	507	145	877
–	–	(62)	(2)	(64)	–	–	(190)	(29)	(219)	–	–	(83)	(15)	(98)
(205)	(86)	(52)	(104)	(447)	(263)	(114)	(38)	(492)	(907)	12	(30)	(32)	(47)	(97)
–	–	–	57	57	(57)	–	–	–	(57)	–	–	–	–	–
–	–	–	–	–	(9)	–	–	193	184	(37)	(8)	(10)	3	(52)
609	(99)	–	(163)	347	(350)	(166)	(241)	(1,846)	(2,603)	(70)	232	382	86	630
50	(42)	(8)	(166)	(166)	(108)	(1)	(14)	(7)	(130)	(68)	97	(1)	(23)	5
–	–	(76)	(41)	(117)	(75)	–	(16)	16	(75)	–	(4)	(77)	(22)	(103)
(58)	(75)	(30)	(91)	(254)	(71)	(37)	(28)	(47)	(183)	(38)	(22)	(8)	(13)	(81)
(6)	1	–	–	(5)	–	–	–	–	–	–	–	–	–	–
(67)	(7)	(14)	(3)	(91)	(67)	(1)	(6)	(27)	(101)	(12)	–	–	(9)	(21)
(81)	(123)	(128)	(301)	(633)	(321)	(39)	(64)	(65)	(489)	(118)	71	(86)	(67)	(200)
–	–	–	–	–	–	–	–	–	–	–	(32,192)	(7,656)	(1,010)	(40,858)
152	(2,198)	990	(220)	(1,276)	(360)	302	166	(935)	(827)	(147)	(31,828)	(5,619)	365	(37,229)
–	–	–	–	–	–	–	–	–	–	–	–	(47)	(30)	(77)
152	(2,198)	990	(220)	(1,276)	(360)	302	166	(935)	(827)	(147)	(31,828)	(5,666)	335	(37,306)
(56)	770	(331)	97	480	135	(106)	(48)	(221)	(240)	50	9,877	2,097	(167)	11,857
96	(1,428)	659	(123)	(796)	(225)	196	118	(1,156)	(1,067)	(97)	(21,951)	(3,569)	168	(25,449)
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
96	(1,428)	659	(123)	(796)	(225)	196	118	(1,156)	(1,067)	(97)	(21,951)	(3,569)	168	(25,449)

Non-operating items by geographical area

	Q1	Q2 ^e	Q3	Q4	2006 ^e	Q1	Q2	Q3	Q4	2007
Exploration and Production										
US	2	8	2,021	(269)	1,762	(7)	178	(15)	213	369
Non-US	(443)	577	360	307	801	764	200	25	(867)	122
	(441)	585	2,381	38	2,563	757	378	10	(654)	491
Refining and Marketing										
US ^a	96	54	(266)	25	(91)	(58)	170	(316)	(977)	(1,181)
Non-US	467	(18)	(167)	(78)	204	(171)	597	(28)	(169)	229
	563	36	(433)	(53)	113	(229)	767	(344)	(1,146)	(952)
Other businesses and corporate										
US	9	10	107	(199)	(73)	6	7	(195)	(57)	(239)
Non-US	1	16	(27)	11	1	28	(15)	(6)	(30)	(23)
	10	26	80	(188)	(72)	34	(8)	(201)	(87)	(262)
Gulf of Mexico oil spill response	–	–	–	–	–	–	–	–	–	–
Total before interest and taxation for continuing operations	132	647	2,028	(203)	2,604	562	1,137	(535)	(1,887)	(723)
Finance costs ^b	–	–	–	–	–	–	–	–	–	–
Total before taxation for continuing operations	132	647	2,028	(203)	2,604	562	1,137	(535)	(1,887)	(723)
Taxation credit (charge) ^c	(44)	(232)	(840)	64	(1,052)	(192)	(347)	174	715	350
Total after taxation for continuing operations	88	415	1,188	(139)	1,552	370	790	(361)	(1,172)	(373)
Innovene operations										
US	7	(6)	–	15	16	–	–	–	–	–
Non-US	(103)	(82)	–	(15)	(200)	–	–	–	–	–
Total before taxation for Innovene operations ^d	(96)	(88)	–	–	(184)	–	–	–	–	–
Taxation credit (charge)	(7)	–	–	–	(7)	–	–	–	–	–
Total after taxation for Innovene operations	(103)	(88)	–	–	(191)	–	–	–	–	–
Total after taxation	(15)	327	1,188	(139)	1,361	370	790	(361)	(1,172)	(373)

^aIncludes the impairment of goodwill allocated to the US West Coast fuels value chain of \$1,579 million in the fourth quarter of 2009.

^bThird and fourth quarter 2010 finance costs relate to the Gulf of Mexico oil spill. For more information see page 18.

^cTaxation is calculated using the quarter's effective tax rate (excluding the impact of the Gulf of Mexico oil spill) on replacement cost profit or loss. However, the US statutory tax rate has been used for expenditures relating to the Gulf of Mexico oil spill that qualify for tax relief. For the fourth quarter and full year in 2009, no tax credit was calculated on the goodwill impairment in Refining and Marketing because the charge is not tax deductible.

^dIncludes the loss on remeasurement to fair value of \$184 million in 2006, recognized as an \$88-million loss in the second quarter of 2006 and a \$96-million loss in the first quarter of 2006.

^eAs reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

Non-operating items by geographical area continued

\$ million														
Q1	Q2	Q3	Q4	2008	Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010
(8)	(8)	3	(318)	(331)	71	118	(65)	21	145	(62)	(156)	1,681	(273)	1,190
(368)	(1,968)	1,115	562	(659)	240	389	536	955	2,120	103	217	60	1,629	2,009
(376)	(1,976)	1,118	244	(990)	311	507	471	976	2,265	41	61	1,741	1,356	3,199
774	(16)	13	43	814	(134)	(27)	(179)	(1,697)	(2,037)	(3)	151	216	(12)	352
(165)	(83)	(13)	(206)	(467)	(216)	(139)	(62)	(149)	(566)	(67)	81	166	98	278
609	(99)	—	(163)	347	(350)	(166)	(241)	(1,846)	(2,603)	(70)	232	382	86	630
(49)	(33)	(105)	(115)	(302)	(116)	(33)	(29)	14	(164)	(106)	(7)	(71)	(54)	(238)
(32)	(90)	(23)	(186)	(331)	(205)	(6)	(35)	(79)	(325)	(12)	78	(15)	(13)	38
(81)	(123)	(128)	(301)	(633)	(321)	(39)	(64)	(65)	(489)	(118)	71	(86)	(67)	(200)
—	—	—	—	—	—	—	—	—	—	—	(32,192)	(7,656)	(1,010)	(40,858)
152	(2,198)	990	(220)	(1,276)	(360)	302	166	(935)	(827)	(147)	(31,828)	(5,619)	365	(37,229)
—	—	—	—	—	—	—	—	—	—	—	—	(47)	(30)	(77)
152	(2,198)	990	(220)	(1,276)	(360)	302	166	(935)	(827)	(147)	(31,828)	(5,666)	335	(37,306)
(56)	770	(331)	97	480	135	(106)	(48)	(221)	(240)	50	9,877	2,097	(167)	11,587
96	(1,428)	659	(123)	(796)	(225)	196	118	(1,156)	(1,067)	(97)	(21,951)	(3,569)	168	(25,449)
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
96	(1,428)	659	(123)	(796)	(225)	196	118	(1,156)	(1,067)	(97)	(21,951)	(3,569)	168	(25,449)

Fair value accounting effects

BP uses derivative instruments to manage the economic exposure relating to inventories above normal operating requirements of crude oil, natural gas and petroleum products as well as certain contracts to supply physical volumes at future dates. Under IFRS, these inventories and contracts are recorded at historic cost and on an accruals basis respectively. The related derivative instruments, however, are required to be recorded at fair value with gains and losses recognized in income because hedge accounting is either not permitted or not followed, principally due to the impracticality of effectiveness testing requirements. Therefore, measurement differences in relation to recognition of gains and losses occur. Gains and losses on these inventories and contracts are not recognized until the commodity is sold in a subsequent accounting period. Gains and losses on the related derivative commodity contracts are recognized in the income statement from the time the derivative commodity contract is entered into on a fair value basis using forward prices consistent with the contract maturity.

IFRS requires that inventory held for trading be recorded at its fair value using period end spot prices whereas any related derivative commodity instruments are required to be recorded at values based on forward prices consistent with the contract maturity. Depending on market conditions, these forward prices can be either higher or lower than spot prices resulting in measurement differences.

	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007
By business										
Exploration and Production	(103)	(150)	(23)	244	(32)	31	(74)	(36)	127	48
Refining and Marketing	(123)	74	584	(324)	211	(539)	337	(93)	(62)	(357)
	(226)	(76)	561	(80)	179	(508)	263	(129)	65	(309)
Taxation credit (charge) ^a	76	24	(232)	25	(107)	174	(80)	42	(25)	111
	(150)	(52)	329	(55)	72	(334)	183	(87)	40	(198)
By geographical area										
Exploration and Production										
US	(117)	(147)	14	191	(59)	(6)	(71)	(19)	19	(77)
Non-US	14	(3)	(37)	53	27	37	(3)	(17)	108	125
	(103)	(150)	(23)	244	(32)	31	(74)	(36)	127	48
Refining and Marketing										
US	(97)	26	315	(231)	13	(165)	174	(142)	(32)	(165)
Non-US	(26)	48	269	(93)	198	(374)	163	49	(30)	(192)
	(123)	74	584	(324)	211	(539)	337	(93)	(62)	(357)

^aTaxation is calculated using the quarter's effective tax rate (excluding the impact of the Gulf of Mexico oil spill) on replacement cost profit or loss.

Total of non-operating items and fair value accounting effects

	Q1	Q2 ^c	Q3	Q4	2006 ^c	Q1	Q2	Q3	Q4	2007
Exploration and Production										
US	(115)	(139)	2,035	(78)	1,703	(13)	107	(34)	232	292
Non-US	(429)	574	323	360	828	801	197	8	(759)	247
	(544)	435	2,358	282	2,531	788	304	(26)	(527)	539
Refining and Marketing										
US	(1)	80	49	(206)	(78)	(223)	344	(458)	(1,009)	(1,346)
Non-US	441	30	102	(171)	402	(545)	760	21	(199)	37
	440	110	151	(377)	324	(768)	1,104	(437)	(1,208)	(1,309)
Other businesses and corporate										
US	9	10	107	(199)	(73)	6	7	(195)	(57)	(239)
Non-US	1	16	(27)	11	1	28	(15)	(6)	(30)	(23)
	10	26	80	(188)	(72)	34	(8)	(201)	(87)	(262)
Gulf of Mexico oil spill response	–	–	–	–	–	–	–	–	–	–
Total before interest and taxation	(94)	571	2,589	(283)	2,783	54	1,400	(664)	(1,822)	(1,032)
Finance costs ^a	–	–	–	–	–	–	–	–	–	–
Total before taxation for continuing operations	(94)	571	2,589	(283)	2,783	54	1,400	(664)	(1,822)	(1,032)
Taxation credit (charge) ^b	32	(208)	(1,072)	89	(1,159)	(18)	(427)	216	690	461
Total after taxation for continuing operations	(62)	363	1,517	(194)	1,624	36	973	(448)	(1,132)	(571)
Innovene operations										
US	7	(6)	–	15	16	–	–	–	–	–
Non-US	(103)	(82)	–	(15)	(200)	–	–	–	–	–
Total before taxation for Innovene operations	(96)	(88)	–	–	(184)	–	–	–	–	–
Taxation charge	(7)	–	–	–	(7)	–	–	–	–	–
Total after taxation for Innovene operations	(103)	(88)	–	–	(191)	–	–	–	–	–
Total after taxation for period	(165)	275	1,517	(194)	1,433	36	973	(448)	(1,132)	(571)

^a2010 finance costs relate to the Gulf of Mexico oil spill. For more information see page 18.

^bTaxation is calculated using the quarter's effective tax rate (excluding the impact of the Gulf of Mexico oil spill) on replacement cost profit or loss. However, the US statutory tax rate has been used for expenditures relating to the Gulf of Mexico oil spill that qualify for tax relief. For the fourth quarter and year in 2009, no tax credit was calculated on the goodwill impairment in Refining and Marketing because the charge is not tax deductible.

^cAs reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

Fair value accounting effects continued

BP enters into contracts for pipelines which and storage capacity that, under IFRS, are recorded on an accruals basis. These contracts are risk-managed using a variety of derivative instruments, are fair valued under IFRS. This results in measurement differences in relation to recognition of gains and losses.

The way that BP manages the economic exposures described above, and measures performance internally, differs from the way these activities are measured under IFRS. BP calculates this difference for consolidated entities by comparing the IFRS result with management's internal measure of performance, under which the inventory and the supply and capacity contracts in question are valued based on fair value using relevant forward prices prevailing at the end of the period. We believe that disclosing management's estimate of this difference provides useful information for investors because it enables investors to see the economic effect of these activities as a whole. The impacts of fair value accounting effects, relative to management's internal measure of performance, are shown in the table below.

\$ million														
Q1	Q2	Q3	Q4	2008	Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010
(259)	(373)	97	253	(282)	158	135	180	446	919	63	(122)	68	(12)	(3)
101	(161)	636	(65)	511	(109)	(126)	86	(112)	(261)	10	119	(221)	134	42
(158)	(534)	733	188	229	49	9	266	334	658	73	(3)	(153)	122	39
58	187	(245)	(83)	(83)	(18)	(3)	(77)	(115)	(213)	(25)	1	38	(40)	(26)
(100)	(347)	488	105	146	31	6	189	219	445	48	(2)	(115)	82	13
(142)	(236)	136	11	(231)	208	92	169	218	687	81	(35)	86	9	141
(117)	(137)	(39)	242	(51)	(50)	43	11	228	232	(18)	(87)	(18)	(21)	(144)
(259)	(373)	97	253	(282)	158	135	180	446	919	63	(122)	68	(12)	(3)
95	53	174	(91)	231	65	(46)	6	(9)	16	16	37	(61)	27	19
6	(214)	462	26	280	(174)	(80)	80	(103)	(277)	(6)	82	(160)	107	23
101	(161)	636	(65)	511	(109)	(126)	86	(112)	(261)	10	119	(221)	134	42

Total of non-operating items and fair value accounting effects continued

\$ million														
Q1	Q2	Q3	Q4	2008	Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010
(150)	(244)	139	(307)	(562)	279	210	104	239	832	19	(191)	1,767	(264)	1,331
(485)	(2,105)	1,076	804	(710)	190	432	547	1,183	2,352	85	130	42	1,608	1,865
(635)	(2,349)	1,215	497	(1,272)	469	642	651	1,422	3,184	104	(61)	1,809	1,344	3,196
869	37	187	(48)	1,045	(69)	(73)	(173)	(1,706)	(2,021)	13	188	155	15	371
(159)	(297)	449	(180)	(187)	(390)	(219)	18	(252)	(843)	(73)	163	6	205	301
710	(260)	636	(228)	858	(459)	(292)	(155)	(1,958)	(2,864)	(60)	351	161	220	672
(49)	(33)	(105)	(115)	(302)	(116)	(33)	(29)	14	(164)	(106)	(7)	(71)	(54)	(238)
(32)	(90)	(23)	(186)	(331)	(205)	(6)	(35)	(79)	(325)	(12)	78	(15)	(13)	38
(81)	(123)	(128)	(301)	(633)	(321)	(39)	(64)	(65)	(489)	(118)	71	(86)	(67)	(200)
–	–	–	–	–	–	–	–	–	–	–	(32,192)	(7,656)	(1,010)	(40,858)
(6)	(2,732)	1,723	(32)	(1,047)	(311)	311	432	(601)	(169)	(74)	(31,831)	(5,772)	487	(37,190)
–	–	–	–	–	–	–	–	–	–	–	–	(47)	(30)	(77)
(6)	(2,732)	1,723	(32)	(1,047)	(311)	311	432	(601)	(169)	(74)	(31,831)	(5,819)	457	(37,267)
2	957	(576)	14	397	117	(109)	(125)	(336)	(453)	25	9,878	2,135	(207)	11,831
(4)	(1,775)	1,147	(18)	(650)	(194)	202	307	(937)	(622)	(49)	(21,953)	(3,684)	250	(25,436)
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(4)	(1,775)	1,147	(18)	(650)	(194)	202	307	(937)	(622)	(49)	(21,953)	(3,684)	250	(25,436)

Gulf of Mexico oil spill

	\$ million				
	Q1	Q2	Q3	Q4	2010
Income statement					
Production and manufacturing expenses	–	32,192	7,656	1,010	40,858
Profit (loss) before interest and taxation	–	(32,192)	(7,656)	(1,010)	(40,858)
Finance costs	–	–	47	30	77
Profit (loss) before taxation	–	(32,192)	(7,703)	(1,040)	(40,935)
Less: taxation	–	10,003	2,604	287	12,894
Profit (loss) for the period	–	(22,189)	(5,099)	(753)	(28,041)
Balance sheet					
Current assets					
Trade and other receivables					5,943
Current liabilities					
Trade and other payables					(6,587)
Provisions					(7,938)
Net current liabilities					(8,582)
Non-current assets					
Other receivables					3,601
Non-current liabilities					
Other payables					(9,899)
Provisions					(8,397)
Deferred tax					11,255
Net non-current liabilities					(3,440)
Net assets					(12,022)
Cash flow statement					
Profit (loss) before taxation	–	(32,192)	(7,703)	(1,040)	(40,935)
Finance costs	–	–	47	30	77
Net charge for provisions, less payments	–	17,646	(409)	2,117	19,354
Movements in other current and non-current assets and liabilities	–	12,430	(2,042)	(6,542)	3,846
Pre-tax cash flows	–	(2,116)	(10,107)	(5,435)	(17,658)

Sales and other operating revenues

	\$ million				
	2006	2007	2008	2009	2010
By business					
Exploration and Production	67,950	65,740	86,170	57,626	66,266
Refining and Marketing	232,386	250,221	320,039	213,050	266,751
Other businesses and corporate	3,372	3,698	4,634	2,843	3,328
	303,708	319,659	410,843	273,519	336,345
Less: sales between businesses					
Exploration and Production	32,608	32,083	45,931	32,540	37,049
Refining and Marketing	3,935	1,914	1,918	821	1,358
Other businesses and corporate	1,259	1,297	1,851	886	831
	37,802	35,294	49,700	34,247	39,238
Third party sales and other operating revenues					
Exploration and Production	35,342	33,657	40,239	25,086	29,217
Refining and Marketing	228,451	248,307	318,121	212,229	265,393
Other businesses and corporate	2,113	2,401	2,783	1,957	2,497
Total third party sales and other operating revenues	265,906	284,365	361,143	239,272	297,107
By geographical area					
US	99,935	105,120	130,142	87,283	107,256
Non-US	185,079	201,816	267,246	173,822	220,059
	285,014	306,936	397,388	261,105	327,315
Less: sales between areas	19,108	22,571	36,245	21,833	30,208
	265,906	284,365	361,143	239,272	297,107

Production and similar taxes

	\$ million				
	2006	2007	2008	2009	2010
Production and similar taxes provided for					
US	887	1,260	2,602	649	1,093
Non-US	4,297	4,443	6,351	3,103	4,151
	5,184	5,703	8,953	3,752	5,244
Production and similar taxes paid					
US	565	1,302	2,735	766	1,059
Non-US	4,937	4,545	6,681	3,219	4,402
	5,502	5,847	9,416	3,985	5,461

Taxation

	\$ million				
	2006 ^a	2007	2008	2009	2010
Tax on profit (loss) from continuing operations					
Current tax charge	11,800	9,835	13,383	5,745	6,692
Deferred tax charge (credit)	716	607	(766)	2,620	(8,193)
Total tax on profit (loss) from continuing operations	12,516	10,442	12,617	8,365	(1,501)
Tax on inventory holdings (gains) losses	31	(1,083)	2,052	(1,299)	(589)
Tax on replacement cost profit (loss) from continuing operations	12,547	9,359	14,669	7,066	(2,090)
Effective tax rates on					
Replacement cost profit (loss) for the year	35%	33%	36%	33%	32%
Profit (loss) for the year	36%	33%	37%	33%	31%
Income taxes paid	13,733	9,072	12,824	6,324	6,610

^a As reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

Depreciation, depletion and amortization

	\$ million				
	2006	2007	2008	2009	2010
By business					
Exploration and Production ^a					
US	2,336	2,365	3,012	4,150	3,751
Non-US	4,353	5,491	5,428	5,407	4,865
	6,689	7,856	8,440	9,557	8,616
Refining and Marketing					
US	1,047	1,076	825	919	955
Non-US	1,192	1,345	1,383	1,317	1,303
	2,239	2,421	2,208	2,236	2,258
Other businesses and corporate					
US	76	117	132	136	140
Non-US	124	185	205	177	150
	200	302	337	313	290
By geographical area					
US	3,459	3,558	3,969	5,205	4,846
Non-US	5,669	7,021	7,016	6,901	6,318
Total	9,128	10,579	10,985	12,106	11,164

^a At the end of 2006, BP adopted the Securities and Exchange Commission (SEC) rules for estimating oil and natural gas reserves instead of the UK accounting rules contained in the Statement of Recommended Practice 'Accounting for Oil and Gas Exploration, Development, Production and Decommissioning Activities' (UK SORP). This change in accounting estimate had a direct impact on the amount of depreciation, depletion and amortization (DD&A) charged in the income statement in respect of oil and natural gas properties, which are depreciated on a unit-of-production basis. The change in estimate was applied prospectively, with no restatement of prior periods' results. The group's actual DD&A charge for 2006 was \$9,128 million, whereas the charge based on UK SORP reserves would have been \$9,057 million, i.e. an increase of \$71 million due to the change in reserves estimates that was used to calculate DD&A for the last three months of 2006. For 2007, it was estimated that the DD&A charge would increase by approximately \$400 million to \$500 million as a result of the change. No estimate was made in respect of 2008. Over the life of a field this change would have no overall effect on DD&A. The main differences between the UK SORP and SEC rules then applicable related to the SEC requirement to use year-end prices and costs, the application of SEC interpretations of SEC regulations relating to the use of technology (mainly seismic) to estimate reserves in the reservoir away from wellbores and the reporting of fuel gas (i.e. gas used for fuel in operations) within proved reserves. Consequently, reserves quantities under SEC rules differed from those that would be reported under application of the UK SORP. The change to SEC reserves in 2006 represented a simplification of the group's reserves reporting, as only one set of reserves estimates is now disclosed. In addition, the use of SEC reserves for accounting purposes makes our results more comparable with those of our major competitors.

Group balance sheet

At 31 December

	\$ million				
	2006	2007	2008	2009	2010
Non-current assets					
Property, plant and equipment	90,999	97,989	103,200	108,275	110,163
Goodwill	10,780	11,006	9,878	8,620	8,598
Intangible assets	5,246	6,652	10,260	11,548	14,298
Investments in jointly controlled entities	15,074	18,113	23,826	15,296	12,286
Investments in associates	5,975	4,579	4,000	12,963	13,335
Other investments	1,697	1,830	855	1,567	1,191
Fixed assets	129,771	140,169	152,019	158,269	159,871
Loans	817	999	995	1,039	894
Other receivables	862	968	710	1,729	6,298
Derivative financial instruments	3,025	3,741	5,054	3,965	4,210
Prepayments	1,034	1,083	1,338	1,407	1,432
Deferred tax assets	—	—	—	516	528
Defined benefit pension plan surpluses	6,753	8,914	1,738	1,390	2,176
	142,262	155,874	161,854	168,315	175,409
Current assets					
Loans	141	165	168	249	247
Inventories	18,915	26,554	16,821	22,605	26,218
Trade and other receivables	38,692	38,020	29,261	29,531	36,549
Derivative financial instruments	10,373	6,321	8,510	4,967	4,356
Prepayments	3,006	3,589	3,050	1,753	1,574
Current tax receivable	544	705	377	209	693
Other investments	—	—	—	—	1,532
Cash and cash equivalents	2,590	3,562	8,197	8,339	18,556
	74,261	78,916	66,384	67,653	89,725
Assets classified as held for sale	1,078	1,286	—	—	7,128
	75,339	80,202	66,384	67,653	96,853
Total assets	217,601	236,076	228,238	235,968	272,262
Current liabilities					
Trade and other payables	42,236	43,152	33,644	35,204	46,329
Derivative financial instruments	9,424	6,405	8,977	4,681	3,856
Accruals	6,147	6,640	6,743	6,202	5,612
Finance debt	12,924	15,394	15,740	9,109	14,626
Current tax payable	2,635	3,282	3,144	2,464	2,920
Provisions	1,932	2,195	1,545	1,660	9,489
	75,298	77,068	69,793	59,320	82,832
Liabilities directly associated with the assets classified as held for sale	54	163	—	—	1,047
	75,352	77,231	69,793	59,320	83,879
Non-current liabilities					
Other payables	1,430	1,251	3,080	3,198	14,285
Derivative financial instruments	4,203	5,002	6,271	3,474	3,677
Accruals	961	959	784	703	637
Finance debt	11,086	15,651	17,464	25,518	30,710
Deferred tax liabilities	18,116	19,215	16,198	18,662	10,908
Provisions	11,712	12,900	12,108	12,970	22,418
Defined benefit pension plan and other post-retirement benefit plan deficits	9,276	9,215	10,431	10,010	9,857
	56,784	64,193	66,336	74,535	92,492
Total liabilities	132,136	141,424	136,129	133,855	176,371
Net assets	85,465	94,652	92,109	102,113	95,891
Equity					
Share capital	5,385	5,237	5,176	5,179	5,183
Reserves	79,239	88,453	86,127	96,434	89,804
BP shareholders' equity	84,624	93,690	91,303	101,613	94,987
Minority interest	841	962	806	500	904
Total equity	85,465	94,652	92,109	102,113	95,891

Operating capital employed^a

	\$ million				
	2006	2007	2008	2009	2010
By business					
Exploration and Production					
US	27,687	30,341	35,807	39,209	40,065
Non-US	49,601	54,278	56,950	61,945	66,207
	77,288	84,619	92,757	101,154	106,272
Refining and Marketing					
US	16,527	17,748	15,904	20,114	23,463
Non-US	24,611	30,163	25,295	26,387	24,959
	41,138	47,911	41,199	46,501	48,422
Other businesses and corporate					
US	(3,303)	(1,903)	(2,505)	(2,773)	(2,905)
Non-US	4,504	6,785	3,247	4,655	17,285
	1,201	4,882	742	1,882	14,380
Gulf of Mexico oil spill response	–	–	–	–	(23,277)
Consolidation adjustment	(725)	(929)	(298)	(1,016)	(561)
	118,902	136,483	134,400	148,521	145,236
By geographical area					
US	40,234	45,369	49,056	55,826	36,917
Non-US	78,668	91,114	85,344	92,695	108,319
Total operating capital employed	118,902	136,483	134,400	148,521	145,236
Liabilities for current and deferred taxation	(20,207)	(21,792)	(18,965)	(20,401)	(12,607)
Goodwill	10,780	11,006	9,878	8,620	8,598
Capital employed	109,475	125,697	125,313	136,740	141,227
Financed by					
Finance debt	24,010	31,045	33,204	34,627	45,336
Minority interest	841	962	806	500	904
BP shareholders' equity	84,624	93,690	91,303	101,613	94,987
Capital employed	109,475	125,697	125,313	136,740	141,227

^a Operating capital employed is total assets (excluding goodwill) less total liabilities, excluding finance debt and current and deferred taxation.

Property, plant and equipment

	\$ million				
	2006	2007	2008	2009	2010
Net book amount by business					
Exploration and Production					
US	28,996	31,555	35,369	36,361	37,230
Non-US	36,629	39,274	40,439	42,583	42,542
	65,625	70,829	75,808	78,944	79,772
Refining and Marketing					
US	10,247	9,440	10,608	12,497	14,151
Non-US	12,901	15,030	14,016	14,616	13,996
	23,148	24,470	24,624	27,113	28,147
Other businesses and corporate					
US	922	1,248	1,659	1,385	1,495
Non-US	1,304	1,442	1,109	833	749
	2,226	2,690	2,768	2,218	2,244
Net book amount by geographical area					
US	40,165	42,243	47,636	50,243	52,876
Non-US	50,834	55,746	55,564	58,032	57,287
	90,999	97,989	103,200	108,275	110,163
Cost and accumulated depreciation					
Exploration and Production					
Cost	140,620	152,486	165,626	176,332	177,537
Accumulated depreciation	(74,995)	(81,657)	(89,818)	(97,388)	(97,765)
	65,625	70,829	75,808	78,944	79,772
Refining and Marketing					
Cost	45,397	48,590	47,289	51,276	52,843
Accumulated depreciation	(22,249)	(24,120)	(22,665)	(24,163)	(24,696)
	23,148	24,470	24,624	27,113	28,147
Other businesses and corporate					
Cost	3,262	4,015	4,194	3,650	3,859
Accumulated depreciation	(1,036)	(1,325)	(1,426)	(1,432)	(1,615)
	2,226	2,690	2,768	2,218	2,244
Group					
Cost	189,279	205,091	217,109	231,258	234,239
Accumulated depreciation	(98,280)	(107,102)	(113,909)	(122,983)	(124,076)
	90,999	97,989	103,200	108,275	110,163

Analysis of inventories, receivables and payables

	\$ million				
	2006	2007	2008	2009	2010
Inventories					
Inventories	16,301	23,040	13,821	18,679	23,078
Supplies	1,222	1,517	1,588	1,661	1,669
	17,523	24,557	15,409	20,340	24,747
Trading inventories	1,392	1,997	1,412	2,265	1,471
	18,915	26,554	16,821	22,605	26,218
Current receivables					
Trade receivables	32,460	33,012	22,869	22,604	24,255
Amounts receivable from jointly controlled entities	830	888	1,035	1,317	751
Amounts receivable from associates	268	380	219	417	448
Current tax receivable	544	705	377	209	693
Gulf of Mexico oil spill trust fund reimbursement asset	–	–	–	–	5,943
Other current receivables	18,654	13,815	16,866	12,162	12,861
	52,756	48,800	41,366	36,709	44,951
Non-current receivables					
Amounts receivable from jointly controlled entities	–	–	–	11	601
Amounts receivable from associates	–	–	–	298	220
Gulf of Mexico oil spill trust fund reimbursement asset	–	–	–	–	3,601
Other non-current receivables	5,738	6,791	8,097	7,831	8,412
	5,738	6,791	8,097	8,140	12,834
Current payables					
Trade payables	28,319	30,735	20,129	22,886	27,510
Amounts payable to jointly controlled entities	119	66	292	304	1,361
Amounts payable to associates	273	650	295	692	712
Production and similar taxes	852	803	445	757	919
Current tax payable	2,635	3,282	3,144	2,464	2,920
Dividends	1	1	1	1	1
Gulf of Mexico oil spill trust fund liability	–	–	–	–	5,002
Other current payables	28,243	23,942	28,202	21,447	20,292
	60,442	59,479	52,508	48,551	58,717
Non-current payables					
Amounts payable to jointly controlled entities	–	–	2,255	2,419	1,905
Amounts payable to associates	–	–	–	298	220
Production and similar taxes	899	765	538	286	471
Gulf of Mexico oil spill trust fund liability	–	–	–	–	9,899
Other non-current payables	5,695	6,447	7,342	4,372	6,104
	6,594	7,212	10,135	7,375	18,599

Group cash flow statement

	\$ million				
	2006 ^a	2007	2008	2009	2010
Operating activities					
Profit (loss) before taxation from continuing operations	35,142	31,611	34,283	25,124	(4,825)
Adjustments to reconcile profit (loss) before taxation to net cash provided by operating activities					
Exploration expenditure written off	624	347	385	593	375
Depreciation, depletion and amortization	9,128	10,579	10,985	12,106	11,164
Impairment and (gain) loss on sale of businesses and fixed assets	(3,165)	(808)	380	160	(4,694)
Earnings from jointly controlled entities and associates	(3,995)	(3,832)	(3,821)	(3,901)	(4,757)
Dividends received from jointly controlled entities and associates	4,495	2,473	3,728	3,003	3,277
Interest receivable	(473)	(489)	(407)	(258)	(277)
Interest received	500	500	385	203	205
Finance costs	986	1,393	1,547	1,110	1,170
Interest paid	(1,242)	(1,363)	(1,291)	(909)	(912)
Net finance (income) expense relating to pensions and other post-retirement benefits	(470)	(652)	(591)	192	(47)
Share-based payments	416	420	459	450	197
Net operating charge for pensions and other post-retirement benefits, less contributions and benefit payments for unfunded plans	(261)	(404)	(173)	(887)	(959)
Net charge for provisions, less payments	(160)	(92)	(298)	650	19,217
(Increase) decrease in inventories	995	(7,255)	9,010	(5,363)	(3,895)
(Increase) decrease in other current and non-current assets	3,596	5,210	2,439	7,595	(15,620)
Increase (decrease) in other current and non-current liabilities	(4,211)	(3,857)	(6,101)	(5,828)	20,607
Income taxes paid	(13,733)	(9,072)	(12,824)	(6,324)	(6,610)
Net cash provided by operating activities of continuing operations	28,172	24,709	38,095	27,716	13,616
Investing activities					
Capital expenditure	(15,125)	(17,830)	(22,658)	(20,650)	(18,421)
Acquisitions, net of cash acquired	(229)	(1,225)	(395)	1	(2,468)
Investment in jointly controlled entities	(37)	(428)	(1,009)	(578)	(461)
Investment in associates	(570)	(187)	(81)	(164)	(65)
Proceeds from disposal of fixed assets	5,963	1,749	918	1,715	7,492
Proceeds from disposal of businesses, net of cash disposed	291	2,518	11	966	9,462
Proceeds from loan repayments	189	192	647	530	501
Other	–	374	(200)	47	–
Net cash used in investing activities	(9,518)	(14,837)	(22,767)	(18,133)	(3,960)
Financing activities					
Net issue (repurchase) of shares	(15,151)	(7,113)	(2,567)	207	169
Proceeds from long-term financing	3,831	8,109	7,961	11,567	11,934
Repayments of long-term financing	(3,655)	(3,192)	(3,821)	(6,021)	(4,702)
Net increase (decrease) in short-term debt	3,873	1,494	(1,315)	(4,405)	(3,619)
Dividends paid					
BP shareholders	(7,686)	(8,106)	(10,342)	(10,483)	(2,627)
Minority interest	(283)	(227)	(425)	(416)	(315)
Net cash provided by (used in) financing activities	(19,071)	(9,035)	(10,509)	(9,551)	840
Currency translation differences relating to cash and cash equivalents	47	135	(184)	110	(279)
Increase (decrease) in cash and cash equivalents	(370)	972	4,635	142	10,217
Cash and cash equivalents at beginning of year	2,960	2,590	3,562	8,197	8,339
Cash and cash equivalents at end of year	2,590	3,562	8,197	8,339	18,556

^aAs reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

Movement in net debt

	\$ million				
	2006	2007	2008	2009	2010
Opening balance					
Finance debt	19,162	24,010	31,045	33,204	34,627
Less: cash and cash equivalents	2,960	2,590	3,562	8,197	8,339
Less: fair value asset (liability) of hedges related to finance debt	(171)	298	666	(34)	127
Opening net debt	16,373	21,122	26,817	25,041	26,161
Closing balance					
Finance debt	24,010	31,045	33,204	34,627	45,336
Less: cash and cash equivalents	2,590	3,562	8,197	8,339	18,556
Less: fair value asset (liability) of hedges related to finance debt	298	666	(34)	127	916
Closing net debt	21,122	26,817	25,041	26,161	25,864
Decrease (increase) in net debt	(4,749)	(5,695)	1,776	(1,120)	297
Movement in cash and cash equivalents (excluding exchange adjustments)	(417)	837	4,819	32	10,496
Net cash (inflow) outflow from financing (excluding share capital)	(4,049)	(6,411)	(2,825)	(1,141)	(3,613)
Movement in finance debt relating to investing activities ^a	—	—	—	—	(6,197)
Debt acquired	(13)	—	—	—	—
Other movements	(145)	(134)	(136)	(61)	(304)
Movement in net debt before exchange effects	(4,624)	(5,708)	1,858	(1,170)	382
Exchange adjustments	(125)	13	(82)	50	(85)
Decrease (increase) in net debt	(4,749)	(5,695)	1,776	(1,120)	297

^a 2010 includes \$6,197 million of disposal deposits in respect of disposals expected to complete in 2011.

Capital expenditure, acquisitions and disposals

	\$ million				
	2006	2007	2008	2009	2010
By business					
Exploration and Production					
US ^{a b}	4,655	5,096	10,359	6,169	6,632
Non-US ^{c d e f}	8,597	9,111	11,868	8,727	11,121
	13,252	14,207	22,227	14,896	17,753
Refining and Marketing					
US ^e	1,339	1,872	4,297	2,625	2,761
Non-US ^g	1,788	3,623	2,337	1,489	1,268
	3,127	5,495	6,634	4,114	4,029
Other businesses and corporate					
US ^h	598	519	1,390	1,071	977
Non-US	254	420	449	228	257
	852	939	1,839	1,299	1,234
By geographical area					
US ^{a b e h}	6,592	7,487	16,046	9,865	10,370
Non-US ^{c d e f g}	10,639	13,154	14,654	10,444	12,646
	17,231	20,641	30,700	20,309	23,016
Included above					
Acquisitions and asset exchanges ^{b d f}	321	1,447	2,514	308	3,406
Disposals	6,254	4,267	929	2,681	16,954

^a 2008 included \$3,667 million in Exploration and Production for the purchase of all of Chesapeake Energy Corporation's interest in the Arkoma Basin Woodford Shale assets and a 25% interest in Chesapeake's Fayetteville Shale assets.

^b 2010 included \$1,767 million in Exploration and Production in the US deepwater Gulf of Mexico as part of the transaction with Devon Energy.

^c 2010 included capital expenditure of \$900 million relating to the formation of a partnership with Value Creation Inc. to develop the Terre de Grace oil sands acreage in the Athabasca region of Alberta, Canada. 2010 also included \$492 million for the purchase of additional interests in the Valhall and Hod fields in the North Sea.

^d 2010 included \$1,107 million in Azerbaijan as part of the transaction with Devon Energy.

^e 2008 included capital expenditure of \$2,822 million in Exploration and Production and an asset exchange of \$1,909 million in Refining and Marketing relating to the formation of an integrated North American oil sands business with Husky Energy Inc.

^f 2006 included \$1 billion for the purchase of shares in Rosneft.

^g 2007 included the acquisition of Chevron's Netherlands manufacturing company for \$1,132 million.

^h Includes capital expenditure of \$557 million for 2010 and \$440 million for 2009 for wind turbines, incurred at the time for future wind projects.

Employee numbers

					at 31 December
	2006	2007	2008	2009	2010
By business					
Exploration and Production	21,400	21,800	21,400	21,500	21,100
Refining and Marketing (excluding service station staff)	41,900	42,700	40,300	37,700	37,100
Other businesses and corporate	7,600	9,100	9,100	7,200	6,200
Gulf Coast Restoration Organization	–	–	–	–	100
	70,900	73,600	70,800	66,400	64,500
Service station staff	26,100	24,500	21,200	13,900	15,200
	97,000	98,100	92,000	80,300	79,700
By geographical area					
US	33,700	33,000	29,300	22,800	22,100
Non-US	63,300	65,100	62,700	57,500	57,600
	97,000	98,100	92,000	80,300	79,700

Ratios^a

	\$ million				
	2006 ^c	2007	2008	2009	2010
Return on average capital employed					
Replacement cost profit (loss)	22,537	18,370	25,593	13,955	(4,914)
Interest expense ^b	467	722	752	467	456
Minority interest	286	324	509	181	395
Adjusted replacement cost profit (loss)	23,290	19,416	26,854	14,603	(4,063)
Non-operating items after taxation	(1,361)	373	796	1,067	25,449
Adjusted replacement cost profit excluding non-operating items	21,929	19,789	27,650	15,670	21,386
Average capital employed (including goodwill)	104,701	117,587	125,506	131,027	138,892
Return on average capital employed (including goodwill and non-operating items)	22.2%	16.5%	21.4%	11.1%	(2.9)%
Average capital employed (excluding goodwill)	94,125	106,694	115,064	121,778	130,373
Return on average capital employed (excluding goodwill and non-operating items)	23.3%	18.5%	24.0%	12.9%	16.4%
Debt ratios					
Gross debt	24,010	31,045	33,204	34,627	45,336
Less: fair value asset (liability) of hedges related to finance debt	298	666	(34)	127	916
Cash and cash equivalents	23,712	30,379	33,238	34,500	44,420
Net debt	2,590	3,562	8,197	8,339	18,556
Equity	21,122	26,817	25,041	26,161	25,864
Debt to debt-plus-equity ratio	85,465	94,652	92,109	102,113	95,891
Debt to equity ratio	22%	24%	27%	25%	32%
Net debt to net debt-plus-equity ratio	28%	32%	36%	34%	46%
Net debt to equity ratio	20%	22%	21%	20%	21%
	25%	28%	27%	26%	27%

^aThe ratios are defined on pages 84 and 85.

^bCalculated on a post-tax basis using a deemed tax rate equal to the US statutory tax rate.

^cAs reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

BP shareholding information

Register of members holding BP ordinary shares as at 31 December 2010

Range of holdings
1–200
201–1,000
1,001–10,000
10,001–100,000
100,001–1,000,000
Over 1,000,000 ^a
Totals

Number of ordinary shareholders	Percentage of total ordinary shareholders	Percentage of total ordinary share capital
59,514	18.86	0.02
118,266	37.48	0.30
124,516	39.46	1.80
11,488	3.64	1.12
960	0.30	1.72
809	0.26	95.04
315,553	100.00	100.00

^a Includes JPMorgan Chase Bank holding 25.88% of the total ordinary issued share capital (excluding shares held in treasury) as the approved depository for ADSs, a breakdown of which is shown in the table below.

Register of holders of American depositary shares (ADSs) as at 31 December 2010^a

Range of holdings
1–200
201–1,000
1,001–10,000
10,001–100,000
100,001–1,000,000
Over 1,000,000 ^b
Totals

Number of ADS holders	Percentage of total ADS holders	Percentage of total ADSs
64,433	55.73	0.46
32,209	27.85	1.89
17,933	15.51	5.85
1,051	0.91	2.18
11	–	0.21
1	–	89.41
115,638	100.00	100.00

^a One ADS represents six 25-cent ordinary shares.

^b One of the holders of ADSs represents some 795,382 underlying shareholders.

As at 31 December 2010, there were also 1,630 preference shareholders.

Beneficial owners as at 31 December 2010^{a b}

By principal area
UK
US
Rest of Europe
Rest of World
Miscellaneous ^c

Percentage of shares in issue		
Institutions	Individuals	Total
39	5	44
25	13	38
12	–	12
5	–	5
1	–	1
82	18	100

^a Reflects the beneficial (underlying) ownership of the shares.

^b Represents BP's best efforts to determine the domicile of the beneficial (underlying) owners of the group's shares, based on analysis of the year-end share register. Note that institutions include custodians, market makers, delivery by value, brokerage, stocklending, clearing and non-American depositary receipt arbitrage.

^c Miscellaneous represents shareholders below the 100,000-share threshold and unidentified shares. Unidentified shares represent holdings that are awaiting confirmation of the identity of the beneficial holder and the nature of their interest in the shares following enquiries made under Section 793 of the Companies Act 2006.

BP share data

	2006 ^c	2007	2008	2009	2010
Share price and dividends					
Share price (pence per ordinary share)					
High	723.00	640.00	657.25	613.40	658.20
Low	558.50	504.50	370.00	400.00	296.00
End year	567.50	615.00	526.00	600.00	465.55
Dividends paid (pence per ordinary share)					
First quarter	5.288	5.258	6.813	9.818	8.679
Second quarter	5.251	5.151	6.830	9.584	–
Third quarter	5.324	5.278	7.039	8.503	–
Fourth quarter	5.241	5.308	8.705	8.512	–
	21.104	20.995	29.387	36.417	8.679
Dividends paid (cents per ordinary share)					
First quarter	9.375	10.325	13.525	14.000	14.000
Second quarter	9.375	10.325	13.525	14.000	–
Third quarter	9.825	10.825	14.000	14.000	–
Fourth quarter	9.825	10.825	14.000	14.000	–
	38.400	42.300	55.050	56.000	14.000
ADS price (US dollars per ADS)					
High	76.85	79.77	77.69	60.00	62.38
Low	63.52	58.62	37.57	33.71	26.75
End year	67.10	73.17	46.74	57.97	44.17
Dividends paid (US dollars per ADS)					
First quarter	0.5625	0.6195	0.8115	0.8400	0.8400
Second quarter	0.5625	0.6195	0.8115	0.8400	–
Third quarter	0.5895	0.6495	0.8400	0.8400	–
Fourth quarter	0.5895	0.6495	0.8400	0.8400	–
	2.3040	2.5380	3.3030	3.3600	0.8400
Dividend payout ratio					
Based on replacement cost profit for the year	34%	44%	40%	75%	n/a
Based on profit for the year	34%	39%	49%	63%	n/a
Dividend cover					
Dividend cover out of income ^a	2.93	2.27	2.47	1.33	n/a
Dividend cover out of cash flow ^b	3.67	3.05	3.68	2.64	5.18

^aBased on replacement cost profit for the year.

^bNet cash provided by operating activities, divided by gross dividends paid. The calculation is based on the assumption that all dividends are paid in cash.

^cAs reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

Information for earnings per share

	\$ million				
	2006 ^b	2007	2008	2009	2010
Results for the period					
Profit (loss) for the year attributable to BP shareholders	22,315	20,845	21,157	16,578	(3,719)
Less: preference dividend	2	2	2	2	2
Profit (loss) for the year attributable to BP ordinary shareholders	22,313	20,843	21,155	16,576	(3,721)
Unwinding of discount on deferred consideration for acquisition of investment in TNK-BP (net of tax)	16	–	–	–	–
Diluted profit (loss) for the year attributable to BP ordinary shareholders	22,329	20,843	21,155	16,576	(3,721)
Profit (loss) for the year attributable to BP ordinary shareholders, as above	22,313	20,843	21,155	16,576	(3,721)
Inventory holding (gains) losses, net of tax	222	(2,475)	4,436	(2,623)	(1,195)
Replacement cost profit (loss) attributable to ordinary shareholders	22,535	18,368	25,591	13,953	(4,916)
Average number of shares					
Basic weighted average number of shares outstanding (thousand) ^a	20,027,527	19,163,389	18,789,827	18,732,459	18,785,912
ADS equivalent (thousand) ^a	3,337,921	3,193,898	3,131,638	3,122,077	3,130,985
Diluted weighted average number of shares outstanding (thousand) ^a	20,195,458	19,326,875	18,962,517	18,935,691	18,997,807
ADS equivalent (thousand) ^a	3,365,910	3,221,146	3,160,412	3,155,949	3,166,301
Shares in issue at year end (thousand) ^a	19,510,496	18,932,143	18,716,098	18,755,378	18,796,498
ADS equivalent (thousand) ^a	3,251,749	3,155,357	3,119,350	3,125,896	3,132,750
Shares repurchased in the year (thousand)	1,334,363	663,150	269,957	–	–

^aExcludes treasury shares and the shares held by the Employee Share Ownership Plans and includes certain shares that will be issuable in the future under employee share plans.

^bAs reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

Exploration and Production

 www.bp.com/FOI_2006-10/e&p.xls

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Exploration and Production

BP's Exploration and Production business finds, develops and produces oil and gas, and transports it to market.

We operate in 29 countries and employ approximately 21,100 people. In Exploration and Production, our priority is to ensure safe, reliable and compliant operations worldwide.

Our strategy is to invest to grow long-term value by continuing to build a portfolio of enduring positions in the world's key hydrocarbon basins with a focus on deepwater, gas (including unconventional gas) and giant fields.

Our strategy is enabled by:

- Continuously reducing operating risk.
- Strong relationships built on mutual advantage, deep knowledge of the basins in which we operate, and technology.
- Building capability along the value chain in Exploration, Developments and Production.

We are increasing investment in exploration, a key source of value creation at the front end of the value chain, and we are evolving the nature of our relationships, particularly with national oil companies. We will also continue to actively manage our portfolio, with a focus on value growth.

2010 was the 18th consecutive year that we replaced more reserves of oil and gas than we produced, delivering reported reserves replacement of 106%.

Our exploration track record continued with the Hodoa discovery in the deepwater West Nile Delta area of Egypt. We were also successful

in accessing substantial new resource opportunities, through acquisition in Brazil and Gulf of Mexico; and through licence and contract awards in Azerbaijan, China, Gulf of Mexico, Indonesia, Jordan, onshore US and in the UK.

In 2010 we brought three major projects onstream: production commenced at the In Salah Gas compression project in Algeria, the Great White field in the Gulf of Mexico, and the Noel field in Canada. We also took final investment decisions on 15 projects. In addition, we increased production for the Rumaila field in southern Iraq by more than 10% above the rate initially agreed between the Rumaila Operating Organization partners and the Iraqi Ministry of Oil in December 2009, meaning that BP and its partners became eligible for service fees from the first quarter of 2011. TNK-BP also increased its production by 2.5% in 2010 compared with 2009.

In line with our plans following the Gulf of Mexico oil spill, we have secured agreements to dispose of almost \$22 billion of non-core assets.

Exploration and Production

BP's major areas of operation in 2010

- BP subsidiary
- Equity-accounted entity
- Location where all, or the majority of, our operations were disposed during 2010 or held for sale at 31 December 2010



These maps illustrate our Exploration and Production operations around the world. For more information on Exploration and Production major projects, simply click on the relevant link. The links will take you to content on www.bp.com that does not form part of *BP Financial and Operating Information 2006-2010*.

Key indicators^a

	2006	2007	2008	2009	2010
Result and oil price					
Replacement cost profit before interest and tax (\$ billion) ^b	31.03	27.60	38.31	24.80	30.89
BP average liquids realizations (\$/bbl) ^{c d}	59.23	67.45	90.20	56.26	73.41
Finding and development costs (\$ per barrel of oil equivalent (\$/boe), five-year rolling average) ^{e f g}	8.76	13.64	16.41	16.32	17.25
Finding costs (\$/boe, five-year rolling average) ^{e g h}	1.53	2.33	3.56	5.31	5.33
Production costs (\$/boe) ^{i j}	5.65	7.14	7.24	6.39	6.77
Cost of supply (\$/boe) ^{j k}	13.30	15.94	16.75	16.66	16.51
Net income per barrel of oil equivalent (\$/boe)					
BP subsidiaries and equity-accounted entities (\$/boe) ^l	11.91	12.62	17.67	9.80	13.33
BP subsidiaries and equity-accounted entities excluding TNK-BP (\$/boe) ^m	13.26	14.43	21.14	11.08	15.33
Range of other oil majors					
Maximum (\$/boe)	16.96	17.14	23.23	11.80	17.30
Minimum (\$/boe)	11.24	12.35	17.68	7.20	11.90
Reserves replacement					
BP subsidiaries (%)	34	44	116	112	74
BP subsidiaries and equity-accounted entities (%)	113	112	121	129	106
Range of other oil majors ⁿ					
Maximum (%)	128	119	139	252	138
Minimum (%)	20	15	29	70	22

^a Except where indicated, all the data in this table relates to BP subsidiaries only.

^b Includes equity-accounted entities.

^c Crude oil and NGLs.

^d Realizations are based on sales of consolidated subsidiaries only, which excludes equity-accounted entities.

^e Reserves calculated on an SEC basis.

^f Finding costs are described in footnote h. Development costs as disclosed in the exploration and production activities tables on pages 41-47, include expenditure on construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including service and unsuccessful development wells.

^g Based on additions to reserves including revisions of previous estimates, improved recovery, discoveries and extensions.

^h Finding costs are exploration and appraisal drilling expenditures, which are capitalized within intangible assets, and geological and geophysical exploration costs, which are charged to income as incurred as disclosed in the exploration and production activities tables on pages 41-47.

ⁱ Production costs are costs incurred to operate and maintain wells and related equipment and facilities. Amounts do not include ad valorem and severance taxes.

^j Based on production volumes.

^k Cost of supply comprises exploration expenditure, production costs and depreciation, depletion and amortization as disclosed in the exploration and production activities tables on pages 41-47.

^l Post-tax income derived from Exploration and Production activities divided by the number of barrels of oil equivalent produced (including equity accounted-entities).

^m Post-tax income derived from Exploration and Production activities divided by the number of barrels of oil equivalent produced (including equity accounted-entities but excluding TNK-BP).

ⁿ BP estimates of reserves replacement of other oil majors, which exclude one-time booking of oil sands and fuel gas.

Financial statistics

	\$ million				
	2006	2007	2008	2009	2010
Replacement cost profit before interest and tax					
US	10,002	7,929	11,724	6,685	9,684
Non-US	21,024	19,673	26,584	18,115	21,202
	31,026	27,602	38,308	24,800	30,886
Operating capital employed					
US	27,687	30,341	35,807	39,209	40,065
Non-US	49,601	54,278	56,950	61,945	66,207
	77,288	84,619	92,757	101,154	106,272
Sales and other operating revenues	67,950	65,740	86,170	57,626	66,266
Capital expenditure and acquisitions					
US	4,655	5,096	10,359	6,169	6,632
Non-US	8,597	9,111	11,868	8,727	11,121
	13,252	14,207	22,227	14,896	17,753
Employee numbers at year end	21,400	21,800	21,400	21,500	21,100
BP average realizations					
BP average liquids realizations (\$/bbl) ^a	59.23	67.45	90.20	56.26	73.41
BP average natural gas realizations (\$/mcf)	4.72	4.53	6.00	3.25	3.97
Marker prices					
Brent oil (\$/bbl)	65.14	72.39	97.26	61.67	79.50
Alaska North Slope oil (\$/bbl)	63.57	71.68	98.86	62.49	79.92
West Texas Intermediate (\$/bbl)	66.02	72.20	100.06	61.92	79.45
Mars oil (\$/bbl)	58.90	66.58	93.95	60.50	78.04
Henry Hub gas price (\$ per million British thermal units) ^b	7.24	6.86	9.04	3.99	4.39

^a Crude oil and NGLs.^b Henry Hub First of Month Index.

^d2006 includes a \$771-million dividend declared in 2005.

Oil and natural gas information

The regional analysis presented below, on pages 41 to 63, is on a continent basis, with separate disclosure for countries that contain 15% or more of the total proved reserves (for subsidiaries plus equity-accounted entities), in accordance with revised SEC and FASB requirements. For 2009 onwards, where relevant, information for equity-accounted entities is provided in the same level of detail as for subsidiaries. Also for 2009 onwards, proved reserves are based on revised SEC definitions.

Oil and natural gas exploration and production activities

	\$ million									
	2006									
	Europe		North America		South America	Africa	Asia		Australasia	Total
	UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia		
Subsidiaries ^a										
Capitalized costs at 31 December ^b										
Gross capitalized costs										
Proved properties	32,528	4,951	44,856	3,001	6,403	15,516	–	7,877	1,970	117,102
Unproved properties	423	116	1,443	171	208	936	1	311	981	4,590
	32,951	5,067	46,299	3,172	6,611	16,452	1	8,188	2,951	121,692
Accumulated depreciation	22,908	3,175	19,724	1,813	2,805	6,944	–	2,346	1,071	60,786
Net capitalized costs	10,043	1,892	26,575	1,359	3,806	9,508	1	5,842	1,880	60,906

Oil and natural gas exploration and production activities continued

	\$ million									
	2007									
	Europe		North America		South America	Africa	Asia		Australasia	Total
	UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia		
Subsidiaries^a										
Capitalized costs at 31 December^b										
Gross capitalized costs										
Proved properties	34,774	4,925	53,079	3,261	7,366	18,333	–	9,629	1,495	132,862
Unproved properties	606	–	1,660	182	115	1,533	4	536	1,001	5,637
	35,380	4,925	54,739	3,443	7,481	19,866	4	10,165	2,496	138,499
Accumulated depreciation	25,515	2,925	25,500	1,968	3,560	8,315	–	3,638	423	71,844
Net capitalized costs	9,865	2,000	29,239	1,475	3,921	11,551	4	6,527	2,073	66,655

The group's share of equity-accounted entities' net capitalized costs at 31 December 2007 was \$11,787 million.

Costs incurred for the year ended 31 December^b

Acquisition of properties^c										
Proved	–	–	245	–	–	–	–	232	–	477
Unproved	–	–	54	16	–	321	–	126	–	517
	–	–	299	16	–	321	–	358	–	994
Exploration and appraisal costs ^d	209	16	646	40	32	677	119	118	35	1,892
Development	804	443	3,861	240	817	2,634	–	1,109	245	10,153
Total costs	1,013	459	4,806	296	849	3,632	119	1,585	280	13,039

The group's share of equity-accounted entities' costs incurred in 2007 was \$2,552 million: in Russia \$1,787 million, South America \$569 million, and Rest of Asia \$196 million.

Results of operations for the year ended 31 December

Sales and other operating revenues^e										
Third parties	4,503	434	1,436	147	1,995	2,219	–	1,388	681	12,803
Sales between businesses	2,260	902	14,353	868	2,274	3,223	–	10,137	816	34,833
	6,763	1,336	15,789	1,015	4,269	5,442	–	11,525	1,497	47,636
Exploration expenditure	46	–	252	57	77	183	116	18	7	756
Production costs	1,658	147	2,782	267	503	637	2	470	64	6,530
Production taxes	227	3	1,260	1	272	–	–	3,914	56	5,733
Other costs (income) ^f	(419)	123	2,505	237	158	224 ^g	169	1,316	366	4,679
Depreciation, depletion and amortization	1,569	207	2,118	169	653	1,372	–	1,148	52	7,288
Impairments and (gains) losses on sale of businesses and fixed assets	112	(534)	(413)	(38)	(5)	(76)	–	–	–	(954)
	3,193	(54)	8,504	693	1,658	2,340	287	6,866	545	24,032
Profit before taxation ^h	3,570	1,390	7,285	322	2,611	3,102	(287)	4,659	952	23,604
Allocable taxes	1,664	611	2,560	35	1,167	1,462	3	1,133	267	8,902
Results of operations	1,906	779	4,725	287	1,444	1,640	(290)	3,526	685	14,702

The group's share of equity-accounted entities' results of operations (including the group's share of total TNK-BP results) in 2007 was a profit of \$2,704 million after deducting interest of \$401 million, taxation of \$1,355 million and minority interest of \$215 million.

Exploration and Production segment replacement cost profit before interest and tax

Exploration and production activities										
Subsidiaries (as above)	3,570	1,390	7,285	322	2,611	3,102	(287)	4,659	952	23,604
Equity-accounted entities	–	–	1	(33)	414	–	2,292	30	–	2,704
Midstream activities ⁱ	15	12	643	626	13	96	(112)	38	(37)	1,294
Total replacement cost profit before interest and tax	3,585	1,402	7,929	915	3,038	3,198	1,893	4,727	915	27,602

^aThese tables contain information relating to oil and natural gas exploration and production activities of subsidiaries. Midstream activities relating to the management and ownership of crude oil and natural gas pipelines, processing and export terminals and LNG processing facilities and transportation are excluded. In addition, our midstream activities of marketing and trading of natural gas, power and NGLs in the US, Canada, UK and Europe are excluded. The most significant midstream pipeline interests include the Trans-Alaska Pipeline System, the Forties Pipeline System, the Central Area Transmission System pipeline, the South Caucasus Pipeline and the Baku-Tbilisi-Ceyhan pipeline. Major LNG activities are located in Trinidad, Indonesia and Australia. The group's share of equity-accounted entities' activities are excluded from the tables and included in the footnotes, with the exception of the Abu Dhabi operations, which are included in the results of operations above.

^bDecommissioning assets are included in capitalized costs at 31 December but are excluded from costs incurred for the year.

^cIncludes costs capitalized as a result of asset exchanges.

^dIncludes exploration and appraisal drilling expenditures, which are capitalized within intangible assets, and geological and geophysical exploration costs, which are charged to income as incurred.

^ePresented net of transportation costs, purchases and sales taxes.

^fIncludes property taxes, other government take and the fair value gain on embedded derivatives of \$47 million. The UK region includes a \$409-million gain offset by corresponding charges primarily in the US, relating to the group self-insurance programme.

^gIncludes \$24 million previously reported within the 'Other' region.

^hExcludes the unwinding of the discount on provisions and payables amounting to \$179 million, which is included in finance costs in the group income statement.

ⁱMidstream activities exclude inventory holding gains and losses.

Oil and natural gas exploration and production activities continued

	\$ million									
	2008									
	Europe		North America		South America	Africa	Asia		Australasia	Total
	UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia		
Subsidiaries ^a										
Capitalized costs at 31 December ^b										
Gross capitalized costs										
Proved properties	34,614	5,507	59,918	3,517	7,934	21,563	–	10,689	2,581	146,323
Unproved properties	626	–	5,006	165	134	2,011	–	465	1,018	9,425
	35,240	5,507	64,924	3,682	8,068	23,574	–	11,154	3,599	155,748
Accumulated depreciation	26,564	3,125	28,511	2,141	4,217	10,451	–	4,395	945	80,349
Net capitalized costs	8,676	2,382	36,413	1,541	3,851	13,123	–	6,759	2,654	75,399

The group's share of equity-accounted entities' net capitalized costs at 31 December 2008 was \$13,393 million.

Costs incurred for the year ended 31 December^b

Acquisition of properties ^c										
Proved	–	–	1,374	2	–	–	–	136	–	1,512
Unproved	4	–	2,942	–	–	–	–	41	–	2,987
	4	–	4,316	2	–	–	–	177	–	4,499
Exploration and appraisal costs ^d	137	–	862	33	90	838	12	269	49	2,290
Development	907	695	4,914	309	768	2,966	–	859	349	11,767
Total costs	1,048	695	10,092	344	858	3,804	12	1,305	398	18,556

The group's share of equity-accounted entities' costs incurred in 2008 was \$3,259 million: in Russia \$1,921 million, South America \$1,039 million, and Rest of Asia \$299 million.

Results of operations for the year ended 31 December

Sales and other operating revenues ^e										
Third parties	3,865	105	8,010	147	3,339	3,745	–	1,186	860	21,257
Sales between businesses	4,374	1,416	15,610	1,237	2,605	6,022	–	11,249	1,171	43,684
	8,239	1,521	23,620	1,384	5,944	9,767	–	12,435	2,031	64,941
Exploration expenditure	121	1	305	32	30	213	14	140	26	882
Production costs	1,357	150	3,002	289	429	875	18	485	62	6,667
Production taxes	503	–	2,603	2	358	–	–	5,510	110	9,086
Other costs (income) ^f	(28)	(43)	3,440	343	198	(122) ^g	196	2,064	226	6,274
Depreciation, depletion and amortization	1,049	199	2,729	181	730	2,120	–	788	87	7,883
Impairments and (gains) losses on sale of businesses and fixed assets	–	–	308	2	4	8	–	219	–	541
	3,002	307	12,387	849	1,749	3,094	228	9,206	511	31,333
Profit before taxation ^h	5,237	1,214	11,233	535	4,195	6,673	(228)	3,229	1,520	33,608
Allocable taxes	2,280	883	3,857	205	2,218	2,672	(36)	984	513	13,576
Results of operations	2,957	331	7,376	330	1,977	4,001	(192)	2,245	1,007	20,032

The group's share of equity-accounted entities' results of operations (including the group's share of total TNK-BP results) in 2008 was a profit of \$2,793 million after deducting interest of \$355 million, taxation of \$1,217 million and minority interest of \$169 million.

Exploration and Production segment replacement cost profit before interest and tax

Exploration and production activities										
Subsidiaries (as above)	5,237	1,214	11,233	535	4,195	6,673	(228)	3,229	1,520	33,608
Equity-accounted entities	(1)	–	1	40	304	(1)	2,259	191	–	2,793
Midstream activities ^{i,j}	743	16	490	673	274	112	–	(272)	(129)	1,907
Total replacement cost profit before interest and tax	5,979	1,230	11,724	1,248	4,773	6,784	2,031	3,148	1,391	38,308

^aThese tables contain information relating to oil and natural gas exploration and production activities of subsidiaries. Midstream activities relating to the management and ownership of crude oil and natural gas pipelines, processing and export terminals and LNG processing facilities and transportation are excluded. In addition, our midstream activities of marketing and trading of natural gas, power and NGLs in the US, Canada, UK and Europe are excluded. The most significant midstream pipeline interests include the Trans-Alaska Pipeline System, the Forties Pipeline System, the Central Area Transmission System pipeline, the South Caucasus Pipeline and the Baku-Tbilisi-Ceyhan pipeline. Major LNG activities are located in Trinidad, Indonesia and Australia and BP is also investing in the LNG business in Angola. The group's share of equity-accounted entities' activities are excluded from the tables and included in the footnotes, with the exception of the Abu Dhabi production taxes, which are included in the results of operations above.

^bDecommissioning assets are included in capitalized costs at 31 December but are excluded from costs incurred for the year.

^cIncludes costs capitalized as a result of asset exchanges.

^dIncludes exploration and appraisal drilling expenditures, which are capitalized within intangible assets, and geological and geophysical exploration costs, which are charged to income as incurred.

^ePresented net of transportation costs, purchases and sales taxes.

^fIncludes property taxes, other government take and the fair value loss on embedded derivatives of \$102 million. The UK region includes a \$499-million gain offset by corresponding charges primarily in the US, relating to the group self-insurance programme.

^gIncludes \$367 million previously reported within the 'Other' region.

^hExcludes the unwinding of the discount on provisions and payables amounting to \$285 million, which is included in finance costs in the group income statement.

ⁱIncludes a \$517-million write-down of our investment in Rosneft based on its quoted market price at the end of the year.

^jMidstream activities exclude inventory holding gains and losses.

Oil and natural gas exploration and production activities continued

	\$ million									
	2009									
	Europe		North America		South America	Africa	Asia		Australasia	Total
	UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia		
Subsidiaries^a										
Capitalized costs at 31 December^b										
Gross capitalized costs										
Proved properties	35,096	6,644	64,366	3,967	8,346	24,476	–	10,900	2,894	156,689
Unproved properties	752	–	5,464	147	198	2,377	–	733	1,039	10,710
	35,848	6,644	69,830	4,114	8,544	26,853	–	11,633	3,933	167,399
Accumulated depreciation	26,794	3,306	31,728	2,309	4,837	12,492	–	4,798	1,038	87,302
Net capitalized costs	9,054	3,338	38,102	1,805	3,707	14,361	–	6,835	2,895	80,097
Costs incurred for the year ended 31 December^b										
Acquisition of properties ^c										
Proved	179	–	(17)	–	–	–	–	306	–	468
Unproved	(1)	–	370	1	–	18	–	–	10	398
	178	–	353	1	–	18	–	306	10	866
Exploration and appraisal costs ^d	183	–	1,377	79	78	712	8	315	53	2,805
Development	751	1,054	4,208	386	453	2,707	–	560	277	10,396
Total costs	1,112	1,054	5,938	466	531	3,437	8	1,181	340	14,067
Results of operations for the year ended 31 December										
Sales and other operating revenues ^e										
Third parties	2,239	68	4,759	99	1,525	1,846	–	636	785	11,957
Sales between businesses	2,482	809	11,313	484	1,409	5,313	–	6,257	726	28,793
	4,721	877	16,072	583	2,934	7,159	–	6,893	1,511	40,750
Exploration expenditure	59	–	663	80	16	219	8	49	22	1,116
Production costs	1,243	164	2,821	284	395	908	15	361	70	6,261
Production taxes	(3)	–	649	1	220	–	–	2,854	72	3,793
Other costs (income) ^f	(1,259)	51	2,353	145	184	144	76	967	178	2,839
Depreciation, depletion and amortization	1,148	185	3,857	170	697	2,041	–	757	96	8,951
Impairments and (gains) losses on sale of businesses and fixed assets	(122)	(7)	(208)	–	(11)	(1)	–	(702) ^g	–	(1,051)
	1,066	393	10,135	680	1,501	3,311	99	4,286	438	21,909
Profit before taxation ^h	3,655	484	5,937	(97)	1,433	3,848	(99)	2,607	1,073	18,841
Allocable taxes	1,568	76	1,902	(58)	916	1,517	(25)	682	2	6,580
Results of operations	2,087	408	4,035	(39)	517	2,331	(74)	1,925	1,071	12,261
Exploration and Production segment replacement cost profit before interest and tax										
Exploration and production activities – subsidiaries (as above)	3,655	484	5,937	(97)	1,433	3,848	(99)	2,607	1,073	18,841
Midstream activities – subsidiaries ⁱ	925	17	719	833	17	(27)	(37)	518	(315)	2,650
Equity-accounted entities ^j	–	5	29	134	630	56	1,924	531	–	3,309
Total replacement cost profit before interest and tax	4,580	506	6,685	870	2,080	3,877	1,788	3,656	758	24,800

^aThese tables contain information relating to oil and natural gas exploration and production activities of subsidiaries. Midstream activities relating to the management and ownership of crude oil and natural gas pipelines, processing and export terminals and LNG processing facilities and transportation are excluded. In addition, our midstream activities of marketing and trading of natural gas, power and NGLs in the US, Canada, UK and Europe are excluded. The most significant midstream pipeline interests include the Trans-Alaska Pipeline System, the Forties Pipeline System, the Central Area Transmission System pipeline, the South Caucasus Pipeline and the Baku-Tbilisi-Ceyhan pipeline. Major LNG activities are located in Trinidad, Indonesia and Australia and BP is also investing in the LNG business in Angola.

^bDecommissioning assets are included in capitalized costs at 31 December but are excluded from costs incurred for the year.

^cIncludes costs capitalized as a result of asset exchanges.

^dIncludes exploration and appraisal drilling expenditures, which are capitalized within intangible assets, and geological and geophysical exploration costs, which are charged to income as incurred.

^ePresented net of transportation costs, purchases and sales taxes.

^fIncludes property taxes, other government take and the fair value gain on embedded derivatives of \$663 million. The UK region includes a \$783-million gain offset by corresponding charges primarily in the US, relating to the group self-insurance programme.

^gIncludes the gain on disposal of upstream assets associated with the sale of our 46% stake in LukArco.

^hExcludes the unwinding of the discount on provisions and payables amounting to \$308 million, which is included in finance costs in the group income statement.

ⁱMidstream activities exclude inventory holding gains and losses.

^jThe profits of equity-accounted entities are included after interest and tax.

Oil and natural gas exploration and production activities continued

	\$ million								
	2009								
	Europe		North America		South America	Africa	Asia	Australasia	Total
	UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia	
Equity-accounted entities (BP share) ^a									
Capitalized costs at 31 December ^b									
Gross capitalized costs									
Proved properties	–	–	–	–	5,789	–	13,266	2,259	– 21,314
Unproved properties	–	–	–	1,378	197	–	737	–	– 2,312
	–	–	–	1,378	5,986	–	14,003	2,259	– 23,626
Accumulated depreciation	–	–	–	–	2,084	–	5,550	1,739	– 9,373
Net capitalized costs	–	–	–	1,378	3,902	–	8,453	520	– 14,253
Costs incurred for the year ended 31 December ^b									
Acquisition of properties ^c									
Proved	–	–	–	–	–	–	–	–	–
Unproved	–	–	–	–	31	–	10	–	– 41
	–	–	–	–	31	–	10	–	– 41
Exploration and appraisal costs ^d	–	–	–	–	21	–	77	3	– 101
Development	–	–	–	30	538	–	1,182	246	– 1,996
Total costs	–	–	–	30	590	–	1,269	249	– 2,138
Results of operations for the year ended 31 December									
Sales and other operating revenues ^e									
Third parties	–	–	–	–	1,977	–	4,919	351	– 7,247
Sales between businesses	–	–	–	–	–	–	2,838	–	– 2,838
	–	–	–	–	1,977	–	7,757	351	– 10,085
Exploration expenditure	–	–	–	–	23	–	37	–	– 60
Production costs	–	–	–	–	354	–	1,428	159	– 1,941
Production taxes	–	–	–	–	702	–	2,597	–	– 3,299
Other costs (income)	–	–	–	–	(69)	–	12	(2)	– (59)
Depreciation, depletion and amortization	–	–	–	–	281	–	1,073	274	– 1,628
Impairments and (gains) losses on sale of businesses and fixed assets	–	–	–	–	–	–	72	–	– 72
	–	–	–	–	1,291	–	5,219	431	– 6,941
Profit before taxation	–	–	–	–	686	–	2,538	(80)	– 3,144
Allocable taxes	–	–	–	–	270	–	501	–	– 771
Results of operations	–	–	–	–	416	–	2,037	(80)	– 2,373
Exploration and Production segment replacement cost profit before interest and tax									
Exploration and production activities – equity-accounted entities (as above)	–	–	–	–	416	–	2,037	(80)	– 2,373
Midstream and other activities after tax ^f	–	5	29	134	214	56	(113)	611	– 936
Total replacement cost profit after interest and tax	–	5	29	134	630	56	1,924	531	– 3,309

^aThese tables contain information relating to oil and natural gas exploration and production activities of equity-accounted entities. Midstream activities relating to the management and ownership of crude oil and natural gas pipelines, processing and export terminals and LNG processing facilities and transportation as well as downstream activities of TNK-BP are excluded. The amounts reported for equity-accounted entities exclude the corresponding amounts for their equity-accounted entities.

^bDecommissioning assets are included in capitalized costs at 31 December but are excluded from costs incurred for the year.

^cIncludes costs capitalized as a result of asset exchanges.

^dIncludes exploration and appraisal drilling expenditures, which are capitalized within intangible assets, and geological and geophysical exploration costs, which are charged to income as incurred.

^ePresented net of transportation costs, purchases and sales taxes.

^fIncludes interest, minority interest and the net results of equity-accounted entities of equity-accounted entities.

Oil and natural gas exploration and production activities continued

	\$ million									
	2010									
	Europe		North America		South America	Africa	Asia		Australasia	Total
	UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia		
Subsidiaries ^a										
Capitalized costs at 31 December ^{b,c}										
Gross capitalized costs										
Proved properties	36,161	7,846	67,724	278	6,047	27,014	–	11,497	3,088	159,655
Unproved properties	787	179	5,968	1,363	220	2,694	–	1,113	1,149	13,473
	36,948	8,025	73,692	1,641	6,267	29,708	–	12,610	4,237	173,128
Accumulated depreciation	27,688	3,515	33,972	216	3,282	13,893	–	4,569	1,205	88,340
Net capitalized costs	9,260	4,510	39,720	1,425	2,985	15,815	–	8,041	3,032	84,788
Costs incurred for the year ended 31 December ^{b,c}										
Acquisition of properties ^d										
Proved	–	–	655	1	–	–	–	1,121	–	1,777
Unproved	–	519	1,599	1,200	–	–	–	151	–	3,469
	–	519	2,254	1,201	–	–	–	1,272	–	5,246
Exploration and appraisal costs ^e	401	13	1,096	78	68	607	7	316	120	2,706
Development	726	816	3,034	251	414	3,003	–	1,244	187	9,675
Total costs	1,127	1,348	6,384	1,530	482	3,610	7	2,832	307	17,627
Results of operations for the year ended 31 December										
Sales and other operating revenues ^f										
Third parties	1,472	58	1,148	90	1,896	3,158	–	1,272	1,398	10,492
Sales between businesses	3,405	1,134	18,819	453	1,574	4,353	–	6,697	929	37,364
	4,877	1,192	19,967	543	3,470	7,511	–	7,969	2,327	47,856
Exploration expenditure	82	(2)	465	25	9	189	7	51	17	843
Production costs	1,018	152	2,867	240	445	938	9	365	124	6,158
Production taxes	52	–	1,093	2	249	–	–	3,764	109	5,269
Other costs (income) ^g	(316)	76	3,502	129	209	130	76	90	195	4,091
Depreciation, depletion and amortization	897	209	3,477	95	575	1,771	–	829	168	8,021
Impairments and (gains) losses on sale of businesses and fixed assets	(1)	–	(1,441)	(2,190)	(3)	(427)	341 ^h	–	–	(3,721)
	1,732	435	9,963	(1,699)	1,484	2,601	433	5,099	613	20,661
Profit (loss) before taxation ⁱ	3,145	757	10,004	2,242	1,986	4,910	(433)	2,870	1,714	27,195
Allocable taxes	1,333	530	3,504	610	1,084	1,771	(23)	813	410	10,032
Results of operations	1,812	227	6,500	1,632	902	3,139	(410)	2,057	1,304	17,163
Exploration and Production segment replacement cost profit before interest and tax										
Exploration and production activities – subsidiaries (as above)	3,145	757	10,004	2,242	1,986	4,910	(433)	2,870	1,714	27,195
Midstream activities – subsidiaries ^j	23	42	(347)	3	49	(26)	4	(23)	(13)	(288)
Equity-accounted entities ^k	–	4	27	171	614	63	2,613	487	–	3,979
Total replacement cost profit before interest and tax	3,168	803	9,684	2,416	2,649	4,947	2,184	3,334	1,701	30,886

^aThese tables contain information relating to oil and natural gas exploration and production activities of subsidiaries. They do not include any costs relating to the Gulf of Mexico oil spill. Midstream activities relating to the management and ownership of crude oil and natural gas pipelines, processing and export terminals and LNG processing facilities and transportation are excluded. In addition, our midstream activities of marketing and trading of natural gas, power and NGLs in the US, Canada, UK and Europe are excluded. The most significant midstream pipeline interests include the Trans-Alaska Pipeline System, the Forties Pipeline System, the Central Area Transmission System pipeline, the South Caucasus Pipeline and the Baku-Tbilisi-Ceyhan pipeline. Major LNG activities are located in Trinidad, Indonesia and Australia and BP is also investing in the LNG business in Angola.

^bDecommissioning assets are included in capitalized costs at 31 December but are excluded from costs incurred for the year.

^cExcludes balances associated with assets held for sale.

^dIncludes costs capitalized as a result of asset exchanges.

^eIncludes exploration and appraisal drilling expenditures, which are capitalized within intangible assets, and geological and geophysical exploration costs, which are charged to income as incurred.

^fPresented net of transportation costs, purchases and sales taxes.

^gIncludes property taxes, other government take and the fair value loss on embedded derivatives of \$309 million. The UK region includes a \$822 million gain offset by corresponding charges primarily in the US, relating to the group self-insurance programme.

^hThis amount represents the write-down of our investment in Sakhalin. A portion of these costs was previously reported within capitalized costs of equity-accounted entities with the remainder previously reported as a loan, which was not included in the disclosures of oil and natural gas exploration and production activities.

ⁱExcludes the unwinding of the discount on provisions and payables amounting to \$313 million, which is included in finance costs in the group income statement.

^jMidstream activities exclude inventory holding gains and losses.

^kThe profits of equity-accounted entities are included after interest and tax.

Oil and natural gas exploration and production activities continued

	\$ million								
	2010								
	Europe		North America		South America	Africa	Asia		Australasia
	UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia	
Equity-accounted entities (BP share) ^a									
Capitalized costs at 31 December ^b									
Gross capitalized costs									
Proved properties	–	–	–	142	103	–	14,486	3,192	–
Unproved properties	–	–	–	1,284	–	–	652	–	–
Accumulated depreciation	–	–	–	1,426	103	–	15,138	3,192	–
Net capitalized costs	–	–	–	–	–	–	6,300	2,674	–
	–	–	–	1,426	103	–	8,838	518	–
Costs incurred for the year ended 31 December ^b									
Acquisition of properties ^c									
Proved	–	–	–	–	–	–	–	–	–
Unproved	–	–	–	–	9	–	66	–	–
Exploration and appraisal costs ^d	–	–	–	–	9	–	66	–	–
Development	–	–	–	–	2	–	94	–	–
Total costs	–	–	–	49	549	–	1,416	355	–
	–	–	–	49	560	–	1,576	355	–
Results of operations for the year ended 31 December									
Sales and other operating revenues ^e									
Third parties	–	–	–	–	2,268	–	5,610	87	–
Sales between businesses	–	–	–	–	–	–	3,432	460	–
	–	–	–	–	2,268	–	9,042	547	–
Exploration expenditure	–	–	–	–	22	–	40	–	–
Production costs	–	–	–	–	316	–	1,602	184	–
Production taxes	–	–	–	–	911	–	3,567	–	–
Other costs (income)	–	–	–	67	75	–	3	(2)	–
Depreciation, depletion and amortization	–	–	–	–	269	–	954	363	–
Impairments and (gains) losses on sale of businesses and fixed assets	–	–	–	–	–	–	43	–	–
	–	–	–	67	1,593	–	6,209	545	–
Profit (loss) before taxation	–	–	–	(67)	675	–	2,833	2	–
Allocable taxes	–	–	–	–	260	–	475	33	–
Results of operations	–	–	–	(67)	415	–	2,358	(31)	–
Exploration and Production segment replacement cost profit before interest and tax									
Exploration and production activities – equity-accounted entities (as above)	–	–	–	(67)	415	–	2,358	(31)	–
Midstream and other activities after tax ^f	–	4	27	238	199	63	255	518	–
Total replacement cost profit after interest and tax	–	4	27	171	614	63	2,613	487	–

^aThese tables contain information relating to oil and natural gas exploration and production activities of equity-accounted entities. They do not include amounts relating to assets held for sale. Midstream activities relating to the management and ownership of crude oil and natural gas pipelines, processing and export terminals and LNG processing facilities and transportation as well as downstream activities of TNK-BP are excluded. The amounts reported for equity-accounted entities exclude the corresponding amounts for their equity-accounted entities.

^bDecommissioning assets are included in capitalized costs at 31 December but are excluded from costs incurred for the year.

^cIncludes costs capitalized as a result of asset exchanges.

^dIncludes exploration and appraisal drilling expenditures, which are capitalized within intangible assets, and geological and geophysical exploration costs, which are charged to income as incurred.

^ePresented net of transportation costs and sales taxes.

^fIncludes interest, minority interest and the net results of equity-accounted entities of equity-accounted entities.

Movements in estimated net proved reserves – crude oil^a

million barrels										
										2006
Europe		North America		South America	Africa	Asia		Australasia	Total	
UK	Rest of Europe	US ^b	Rest of North America			Russia	Rest of Asia			
Subsidiaries										
At 1 January 2006										
Developed	496	225	1,984	10	205	142	–	85	54	3,201
Undeveloped	184	86	1,429	1	285	536	–	549	89	3,159
	680	311	3,413	11	490	678	–	634	143	6,360
Changes attributable to										
Revisions of previous estimates	(3)	(11)	(108)	6	(15)	2	–	16	–	(113)
Improved recovery	26	9	95	3	10	22	–	4	–	169
Purchases of reserves-in-place	–	–	–	–	–	–	–	–	–	–
Discoveries and extensions	3	–	48	–	–	67	–	–	1	119
Production ^c	(92)	(23)	(178)	(3)	(36)	(64)	–	(63)	(12)	(471)
Sales of reserves-in-place	(10)	–	(62)	–	(99)	–	–	–	–	(171)
	(76)	(25)	(205)	6	(140)	27	–	(43)	(11)	(467)
At 31 December 2006 ^d										
Developed	458	189	1,916	15	115	193	–	104	51	3,041
Undeveloped	146	97	1,292	2	235	512	–	487	81	2,852
	604	286	3,208	17	350	705	–	591	132	5,893
Equity-accounted entities (BP share)^e										
At 1 January 2006										
Developed	–	–	–	–	207	–	1,688	591	–	2,486
Undeveloped	–	–	–	–	124	–	431	164	–	719
	–	–	–	–	331	–	2,119	755	–	3,205
Changes attributable to										
Revisions of previous estimates	–	–	–	–	(2)	–	1,215	(8)	–	1,205
Improved recovery	–	–	–	–	34	–	–	–	–	34
Purchases of reserves-in-place	–	–	–	–	28	–	–	–	–	28
Discoveries and extensions	–	–	–	–	1	–	–	–	–	1
Production	–	–	–	–	(28)	–	(320)	(63)	–	(411)
Sales of reserves-in-place	–	–	–	–	(4)	–	(170)	–	–	(174)
	–	–	–	–	29	–	725	(71)	–	683
At 31 December 2006 ^f										
Developed	–	–	–	–	221	–	2,200	521	–	2,942
Undeveloped	–	–	–	–	139	–	644	163	–	946
	–	–	–	–	360	–	2,844	684	–	3,888
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2006										
Developed	496	225	1,984	10	412	142	1,688	676	54	5,687
Undeveloped	184	86	1,429	1	409	536	431	713	89	3,878
	680	311	3,413	11	821	678	2,119	1,389	143	9,565
At 31 December 2006										
Developed	458	189	1,916	15	336	193	2,200	625	51	5,983
Undeveloped	146	97	1,292	2	374	512	644	650	81	3,798
	604	286	3,208	17	710	705	2,844	1,275	132	9,781

^aCrude oil includes NGLs and condensate. Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^bProved reserves in the Prudhoe Bay field in Alaska include an estimated 77 million barrels on which a net profits royalty will be payable over the life of the field under the terms of the BP Prudhoe Bay Royalty Trust.

^cExcludes NGLs from processing plants in which an interest is held of 55 thousand barrels a day.

^dIncludes 779 million barrels of NGLs. Also includes 23 million barrels of crude oil in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^eVolumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^fIncludes 28 million barrels of NGLs. Also includes 179 million barrels of crude oil in respect of the 6.29% minority interest in TNK-BP.

Movements in estimated net proved reserves continued – natural gas^a

billion cubic feet										
2006										
Europe		North America		South America	Africa	Asia		Australasia	Total	
UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia			
Subsidiaries										
At 1 January 2006										
Developed	2,382	245	11,184	700	2,860	934	–	838	902	20,045
Undeveloped	904	80	4,198	94	10,410	2,000	–	1,885	4,832	24,403
	3,286	325	15,382	794	13,270	2,934	–	2,723	5,734	44,448
Changes attributable to										
Revisions of previous estimates	(343)	11	(922)	(77)	(214)	(69)	–	4	(63)	(1,673)
Improved recovery	144	–	1,755	328	16	6	–	80	–	2,329
Purchases of reserves-in-place	–	–	–	–	–	–	–	–	–	–
Discoveries and extensions	101	–	116	–	–	5	–	2	21	245
Production ^b	(370)	(38)	(941)	(108)	(874)	(169)	–	(220)	(135)	(2,855)
Sales of reserves-in-place	(25)	–	(292)	–	(9)	–	–	–	–	(326)
	(493)	(27)	(284)	143	(1,081)	(227)	–	(134)	(177)	(2,280)
At 31 December 2006 ^c										
Developed	1,968	242	10,438	627	3,305	1,032	–	808	882	19,302
Undeveloped	825	56	4,660	310	8,884	1,675	–	1,781	4,675	22,866
	2,793	298	15,098	937	12,189	2,707	–	2,589	5,557	42,168
Equity-accounted entities (BP share)^d										
At 1 January 2006										
Developed	–	–	–	–	1,492	–	1,089	180	–	2,761
Undeveloped	–	–	–	–	848	–	169	78	–	1,095
	–	–	–	–	2,340	–	1,258	258	–	3,856
Changes attributable to										
Revisions of previous estimates	–	–	–	–	7	–	217	60	–	284
Improved recovery	–	–	–	–	73	–	–	1	–	74
Purchases of reserves-in-place	–	–	–	–	–	–	–	–	–	–
Discoveries and extensions	–	–	–	–	23	–	–	–	–	23
Production ^b	–	–	–	–	(171)	–	(204)	(22)	–	(397)
Sales of reserves-in-place	–	–	–	–	(77)	–	–	–	–	(77)
	–	–	–	–	(145)	–	13	39	–	(93)
At 31 December 2006 ^e										
Developed	–	–	–	–	1,460	–	1,087	222	–	2,769
Undeveloped	–	–	–	–	735	–	184	75	–	994
	–	–	–	–	2,195	–	1,271	297	–	3,763
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2006										
Developed	2,382	245	11,184	700	4,352	934	1,089	1,018	902	22,806
Undeveloped	904	80	4,198	94	11,258	2,000	169	1,963	4,832	25,498
	3,286	325	15,382	794	15,610	2,934	1,258	2,981	5,734	48,304
At 31 December 2006										
Developed	1,968	242	10,438	627	4,765	1,032	1,087	1,030	882	22,071
Undeveloped	825	56	4,660	310	9,619	1,675	184	1,856	4,675	23,860
	2,793	298	15,098	937	14,384	2,707	1,271	2,886	5,557	45,931

^a Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^b Includes 178 billion cubic feet of natural gas consumed in operations, 147 billion cubic feet in subsidiaries, 31 billion cubic feet in equity-accounted entities and excludes 8.3 billion cubic feet of produced non-hydrocarbon components that meet regulatory requirements for sales.

^c Includes 3,537 billion cubic feet of natural gas in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^d Volumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^e Includes 99 billion cubic feet of natural gas in respect of the 7.77% minority interest in TNK-BP.

Movements in estimated net proved reserves continued – total hydrocarbons^a

million barrels of oil equivalent ^b										
										2006
Europe		North America		South America	Africa	Asia		Australasia	Total	
UK	Rest of Europe	US ^c	Rest of North America			Russia	Rest of Asia			
Subsidiaries										
At 1 January 2006										
Developed	907	267	3,912	131	698	303	–	229	210	6,657
Undeveloped	340	100	2,153	17	2,080	881	–	874	922	7,367
	1,247	367	6,065	148	2,778	1,184	–	1,103	1,132	14,024
Changes attributable to										
Revisions of previous estimates	(62)	(9)	(267)	(7)	(52)	(10)	–	17	(11)	(401)
Improved recovery	51	9	398	60	13	23	–	18	–	572
Purchases of reserves-in-place	–	–	–	–	–	–	–	–	–	–
Discoveries and extensions	20	–	68	–	–	68	–	–	5	161
Production ^{d,e}	(157)	(29)	(341)	(23)	(186)	(93)	–	(101)	(36)	(966)
Sales of reserves-in-place	(14)	–	(112)	–	(101)	–	–	–	–	(227)
	(162)	(29)	(254)	30	(326)	(12)	–	(66)	(42)	(861)
At 31 December 2006 ^f										
Developed	797	231	3,716	123	685	371	–	243	203	6,369
Undeveloped	288	107	2,095	55	1,767	801	–	794	887	6,794
	1,085	338	5,811	178	2,452	1,172	–	1,037	1,090	13,163
Equity-accounted entities (BP share)^g										
At 1 January 2006										
Developed	–	–	–	–	464	–	1,876	622	–	2,962
Undeveloped	–	–	–	–	270	–	460	177	–	907
	–	–	–	–	734	–	2,336	799	–	3,869
Changes attributable to										
Revisions of previous estimates	–	–	–	–	(1)	–	1,252	2	–	1,253
Improved recovery	–	–	–	–	47	–	–	–	–	47
Purchases of reserves-in-place	–	–	–	–	28	–	–	–	–	28
Discoveries and extensions	–	–	–	–	5	–	–	–	–	5
Production ^{d,e}	–	–	–	–	(57)	–	(355)	(66)	–	(478)
Sales of reserves-in-place	–	–	–	–	(17)	–	(170)	–	–	(187)
	–	–	–	–	5	–	727	(64)	–	668
At 31 December 2006 ^h										
Developed	–	–	–	–	473	–	2,387	559	–	3,419
Undeveloped	–	–	–	–	266	–	676	176	–	1,118
	–	–	–	–	739	–	3,063	735	–	4,537
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2006										
Developed	907	267	3,912	131	1,162	303	1,876	852	210	9,620
Undeveloped	340	100	2,153	17	2,350	881	460	1,051	922	8,274
	1,247	367	6,065	148	3,512	1,184	2,336	1,903	1,132	17,894
At 31 December 2006										
Developed	797	231	3,716	123	1,158	371	2,387	803	203	9,789
Undeveloped	288	107	2,095	55	2,032	801	676	970	887	7,911
	1,085	338	5,811	178	3,190	1,172	3,063	1,773	1,090	17,700

^a Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^b 5.8 billion cubic feet of natural gas = 1 million barrels of oil equivalent.

^c Proved reserves in the Prudhoe Bay field in Alaska include an estimated 77 million barrels of oil equivalent on which a net profits royalty will be payable over the life of the field under the terms of the BP Prudhoe Bay Royalty Trust.

^d Excludes NGLs from processing plants in which an interest is held of 55 thousand barrels a day.

^e Includes 1.5 million barrels of oil equivalent of natural gas consumed in operations, 25 million barrels of oil equivalent in subsidiaries, 5 million barrels of oil equivalent in equity-accounted entities and excludes 1.5 million barrels of oil equivalent of produced non-hydrocarbon components that meet regulatory requirements for sales.

^f Includes 779 million barrels of NGLs. Also includes 633 million barrels of oil equivalent in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^g Volumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^h Includes 28 million barrels of NGLs. Also includes 196 million barrels of oil equivalent in respect of minority interest in TNK-BP.

Movements in estimated net proved reserves continued – crude oil^a

	million barrels									
	2007									
	Europe		North America		South America	Africa	Asia		Australasia	Total
	UK	Rest of Europe	US ^b	Rest of North America			Russia	Rest of Asia		
Subsidiaries										
At 1 January 2007										
Developed	458	189	1,916	15	115	193	–	104	51	3,041
Undeveloped	146	97	1,292	2	235	512	–	487	81	2,852
	604	286	3,208	17	350	705	–	591	132	5,893
Changes attributable to										
Revisions of previous estimates	(1)	(25)	18	–	(29)	(133)	–	(29)	(5)	(204)
Improved recovery	7	1	99	–	6	12	–	6	–	131
Purchases of reserves-in-place	–	–	25	–	–	–	–	8	–	33
Discoveries and extensions	–	31	60	–	1	93	–	–	2	187
Production ^c	(73)	(19)	(169)	(3)	(24)	(71)	–	(83)	(12)	(454)
Sales of reserves-in-place	–	–	(94)	–	–	–	–	–	–	(94)
	(67)	(12)	(61)	(3)	(46)	(99)	–	(98)	(15)	(401)
At 31 December 2007 ^d										
Developed	414	105	1,882	13	102	256	–	121	44	2,937
Undeveloped	123	169	1,265	1	202	350	–	372	73	2,555
	537	274	3,147	14	304	606	–	493	117	5,492
Equity-accounted entities (BP share) ^{e,f}										
At 1 January 2007										
Developed	–	–	–	–	221	–	2,200	521	–	2,942
Undeveloped	–	–	–	–	139	–	644	163	–	946
	–	–	–	–	360	–	2,844	684	–	3,888
Changes attributable to										
Revisions of previous estimates	–	–	–	–	178	–	413	167	–	758
Improved recovery	–	–	–	–	59	–	–	1	–	60
Purchases of reserves-in-place	–	–	–	–	–	–	16	–	–	16
Discoveries and extensions	–	–	–	–	2	–	283	–	–	285
Production	–	–	–	–	(28)	–	(304)	(73)	–	(405)
Sales of reserves-in-place	–	–	–	–	–	–	(21)	–	–	(21)
	–	–	–	–	211	–	387	95	–	693
At 31 December 2007 ^g										
Developed	–	–	–	–	328	–	2,094	574	–	2,996
Undeveloped	–	–	–	–	243	–	1,137	205	–	1,585
	–	–	–	–	571	–	3,231	779	–	4,581
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2007										
Developed	458	189	1,916	15	336	193	2,200	625	51	5,983
Undeveloped	146	97	1,292	2	374	512	644	650	81	3,798
	604	286	3,208	17	710	705	2,844	1,275	132	9,781
At 31 December 2007										
Developed	414	105	1,882	13	430	256	2,094	695	44	5,933
Undeveloped	123	169	1,265	1	445	350	1,137	577	73	4,140
	537	274	3,147	14	875	606	3,231	1,272	117	10,073

^aCrude oil includes NGLs and condensate. Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^bProved reserves in the Prudhoe Bay field in Alaska include an estimated 98 million barrels on which a net profits royalty will be payable over the life of the field under the terms of the BP Prudhoe Bay Royalty Trust.

^cExcludes NGLs from processing plants in which an interest is held of 54 thousand barrels a day.

^dIncludes 739 million barrels of NGLs. Also includes 20 million barrels of crude oil in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^eThe BP group holds interests, through associates, in onshore and offshore concessions in Abu Dhabi, expiring in 2014 and 2018 respectively. During the second quarter of 2007, we updated our reporting policy in Abu Dhabi to be consistent with general industry practice and as a result have started reporting production and reserves there gross of production taxes. This change resulted in an increase in our reserves of 153 million barrels and in our production of 33mb/d.

^fVolumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^gIncludes 26 million barrels of NGLs. Also includes 210 million barrels of crude oil in respect of the 6.51% minority interest in TNK-BP.

Movements in estimated net proved reserves continued – natural gas^a

billion cubic feet										
2007										
Europe		North America		South America	Africa	Asia		Australasia	Total	
UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia			
Subsidiaries										
At 1 January 2007										
Developed	1,968	242	10,438	627	3,305	1,032	–	808	882	19,302
Undeveloped	825	56	4,660	310	8,884	1,675	–	1,781	4,675	22,866
	2,793	298	15,098	937	12,189	2,707	–	2,589	5,557	42,168
Changes attributable to										
Revisions of previous estimates	93	(37)	744	(72)	(204)	(146)	–	(21)	140	497
Improved recovery	15	1	326	32	–	9	–	100	16	499
Purchases of reserves-in-place	–	–	23	–	–	–	–	109	–	132
Discoveries and extensions	–	293	95	237	12	17	–	–	88	742
Production ^b	(299)	(14)	(879)	(98)	(949)	(187)	–	(238)	(137)	(2,801)
Sales of reserves-in-place	–	(68)	(32)	(7)	–	–	–	–	–	(107)
	(191)	175	277	92	(1,141)	(307)	–	(50)	107	(1,038)
At 31 December 2007 ^c										
Developed	2,049	63	10,670	608	3,075	990	–	1,270	1,135	19,860
Undeveloped	553	410	4,705	421	7,973	1,410	–	1,269	4,529	21,270
	2,602	473	15,375	1,029	11,048	2,400	–	2,539	5,664	41,130
Equity-accounted entities (BP share)^d										
At 1 January 2007										
Developed	–	–	–	–	1,460	–	1,087	222	–	2,769
Undeveloped	–	–	–	–	735	–	184	75	–	994
	–	–	–	–	2,195	–	1,271	297	–	3,763
Changes attributable to										
Revisions of previous estimates	–	–	–	–	73	–	61	9	–	143
Improved recovery	–	–	–	–	195	–	–	16	–	211
Purchases of reserves-in-place	–	–	–	–	–	–	8	–	–	8
Discoveries and extensions	–	–	–	–	22	–	–	–	–	22
Production ^b	–	–	–	–	(176)	–	(179)	(22)	–	(377)
Sales of reserves-in-place	–	–	–	–	–	–	–	–	–	–
	–	–	–	–	114	–	(110)	3	–	7
At 31 December 2007 ^e										
Developed	–	–	–	–	1,478	–	808	187	–	2,473
Undeveloped	–	–	–	–	831	–	353	113	–	1,297
	–	–	–	–	2,309	–	1,161	300	–	3,770
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2007										
Developed	1,968	242	10,438	627	4,765	1,032	1,087	1,030	882	22,071
Undeveloped	825	56	4,660	310	9,619	1,675	184	1,856	4,675	23,860
	2,793	298	15,098	937	14,384	2,707	1,271	2,886	5,557	45,931
At 31 December 2007										
Developed	2,049	63	10,670	608	4,553	990	808	1,457	1,135	22,333
Undeveloped	553	410	4,705	421	8,804	1,410	353	1,382	4,529	22,567
	2,602	473	15,375	1,029	13,357	2,400	1,161	2,839	5,664	44,900

^a Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^b Includes 202 billion cubic feet of natural gas consumed in operations, 161 billion cubic feet in subsidiaries, 41 billion cubic feet in equity-accounted entities and excludes 10.9 billion cubic feet of produced non-hydrocarbon components that meet regulatory requirements for sales.

^c Includes 3,211 billion cubic feet of natural gas in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^d Volumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^e Includes 68 billion cubic feet of natural gas in respect of the 5.88% minority interest in TNK-BP.

Movements in estimated net proved reserves continued – total hydrocarbons^a

million barrels of oil equivalent ^b										
										2007
Europe		North America		South America	Africa	Asia		Australasia	Total	
UK	Rest of Europe	US ^c	Rest of North America			Russia	Rest of Asia			
Subsidiaries										
At 1 January 2007										
Developed	797	231	3,716	123	685	371	–	243	203	6,369
Undeveloped	288	107	2,095	55	1,767	801	–	794	887	6,794
	1,085	338	5,811	178	2,452	1,172	–	1,037	1,090	13,163
Changes attributable to										
Revisions of previous estimates	15	(31)	146	(12)	(64)	(158)	–	(33)	19	(118)
Improved recovery	10	1	155	6	6	14	–	23	3	218
Purchases of reserves-in-place	–	–	29	–	–	–	–	27	–	56
Discoveries and extensions	–	82	76	41	3	96	–	–	17	315
Production ^{d,e}	(124)	(23)	(318)	(20)	(190)	(104)	–	(123)	(36)	(938)
Sales of reserves-in-place	–	(12)	(100)	(1)	–	–	–	–	–	(113)
	(99)	17	(12)	14	(245)	(152)	–	(106)	3	(580)
At 31 December 2007 ^f										
Developed	767	116	3,722	118	631	427	–	340	240	6,361
Undeveloped	219	239	2,077	74	1,576	593	–	591	853	6,222
	986	355	5,799	192	2,207	1,020	–	931	1,093	12,583
Equity-accounted entities (BP share)^{g,h}										
At 1 January 2007										
Developed	–	–	–	–	473	–	2,387	559	–	3,419
Undeveloped	–	–	–	–	266	–	676	176	–	1,118
	–	–	–	–	739	–	3,063	735	–	4,537
Changes attributable to										
Revisions of previous estimates	–	–	–	–	191	–	424	169	–	784
Improved recovery	–	–	–	–	93	–	–	4	–	97
Purchases of reserves-in-place	–	–	–	–	–	–	17	–	–	17
Discoveries and extensions	–	–	–	–	6	–	283	–	–	289
Production ^e	–	–	–	–	(60)	–	(334)	(78)	–	(472)
Sales of reserves-in-place	–	–	–	–	–	–	(21)	–	–	(21)
	–	–	–	–	230	–	369	95	–	694
At 31 December 2007 ⁱ										
Developed	–	–	–	–	583	–	2,233	606	–	3,422
Undeveloped	–	–	–	–	386	–	1,199	224	–	1,809
	–	–	–	–	969	–	3,432	830	–	5,231
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2007										
Developed	797	231	3,716	123	1,158	371	2,387	803	203	9,789
Undeveloped	288	107	2,095	55	2,032	801	676	970	887	7,911
	1,085	338	5,811	178	3,190	1,172	3,063	1,773	1,090	17,700
At 31 December 2007										
Developed	767	116	3,722	118	1,214	427	2,233	946	240	9,783
Undeveloped	219	239	2,077	74	1,962	593	1,199	815	853	8,031
	986	355	5,799	192	3,176	1,020	3,432	1,761	1,093	17,814

^a Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^b 5.8 billion cubic feet of natural gas = 1 million barrels of oil equivalent.

^c Proved reserves in the Prudhoe Bay field in Alaska include an estimated 98 million barrels of oil equivalent on which a net profits royalty will be payable over the life of the field under the terms of the BP Prudhoe Bay Royalty Trust.

^d Excludes NGLs from processing plants in which an interest is held of 54 thousand barrels a day.

^e Includes 35 million barrels of oil equivalent of natural gas consumed in operations, 28 million barrels of oil equivalent in subsidiaries, 7 million barrels of oil equivalent in equity-accounted entities and excludes 2 million barrels of oil equivalent of produced non-hydrocarbon components that meet regulatory requirements for sales.

^f Includes 739 million barrels of NGLs. Also includes 574 million barrels of oil equivalent in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^g Volumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^h The BP group holds interests, through associates, in onshore and offshore concessions in Abu Dhabi, expiring in 2014 and 2018 respectively. During the second quarter of 2007, we updated our reporting policy in Abu Dhabi to be consistent with general industry practice and as a result have started reporting production and reserves there gross of production taxes. This change resulted in an increase in our reserves of 153 million barrels and in our production of 33mb/d.

ⁱ Includes 26 million barrels of NGLs. Also includes 222 million barrels of oil equivalent in respect of minority interest in TNK-BP.

Movements in estimated net proved reserves continued – crude oil^a

	million barrels									
	2008									
	Europe		North America		South America	Africa	Asia		Australasia	Total
	UK	Rest of Europe	US ^b	Rest of North America			Russia	Rest of Asia		
Subsidiaries										
At 1 January 2008										
Developed	414	105	1,882	13	102	256	–	121	44	2,937
Undeveloped	123	169	1,265	1	202	350	–	372	73	2,555
	537	274	3,147	14	304	606	–	493	117	5,492
Changes attributable to										
Revisions of previous estimates	16	(11)	(212)	1	7	264	–	194	5	264
Improved recovery	39	28	182	–	8	18	–	43	3	321
Purchases of reserves-in-place	–	–	–	–	–	–	–	–	–	–
Discoveries and extensions	–	–	64	–	5	173	–	–	–	242
Production ^c	(63)	(16)	(191)	(3)	(23)	(101)	–	(47)	(11)	(455)
Sales of reserves-in-place	–	–	–	–	(199)	–	–	–	–	(199)
	(8)	1	(157)	(2)	(202)	354	–	190	(3)	173
At 31 December 2008 ^d										
Developed	410	81	1,717	11	47	464	–	195	56	2,981
Undeveloped	119	194	1,273	1	55	496	–	488	58	2,684
	529	275	2,990	12	102	960	–	683	114	5,665
Equity-accounted entities (BP share) ^e										
At 1 January 2008										
Developed	–	–	–	–	328	–	2,094	574	–	2,996
Undeveloped	–	–	–	–	243	–	1,137	205	–	1,585
	–	–	–	–	571	–	3,231	779	–	4,581
Changes attributable to										
Revisions of previous estimates	–	–	–	–	(3)	11	217	(1)	–	224
Improved recovery	–	–	–	–	62	–	–	–	–	62
Purchases of reserves-in-place	–	–	–	–	199	–	–	–	–	199
Discoveries and extensions	–	–	–	–	13	–	26	–	–	39
Production	–	–	–	–	(34)	–	(302)	(80)	–	(416)
Sales of reserves-in-place	–	–	–	–	–	–	(1)	–	–	(1)
	–	–	–	–	237	11	(60)	(81)	–	107
At 31 December 2008 ^f										
Developed	–	–	–	–	399	–	2,227	499	–	3,125
Undeveloped	–	–	–	–	409	11	944	199	–	1,563
	–	–	–	–	808	11	3,171	698	–	4,688
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2008										
Developed	414	105	1,882	13	430	256	2,094	695	44	5,933
Undeveloped	123	169	1,265	1	445	350	1,137	577	73	4,140
	537	274	3,147	14	875	606	3,231	1,272	117	10,073
At 31 December 2008										
Developed	410	81	1,717	11	446	464	2,227	694	56	6,106
Undeveloped	119	194	1,273	1	464	507	944	687	58	4,247
	529	275	2,990	12	910	971	3,171	1,381	114	10,353

^aCrude oil includes NGLs and condensate. Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^bProved reserves in the Prudhoe Bay field in Alaska include an estimated 54 million barrels on which a net profits royalty will be payable over the life of the field under the terms of the BP Prudhoe Bay Royalty Trust.

^cExcludes NGLs from processing plants in which an interest is held of 19 thousand barrels a day.

^dIncludes 807 million barrels of NGLs. Also includes 21 million barrels of crude oil in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^eVolumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^fIncludes 36 million barrels of NGLs. Also includes 216 million barrels of crude oil in respect of the 6.80% minority interest in TNK-BP.

Movements in estimated net proved reserves continued – natural gas^a

billion cubic feet										
2008										
Europe		North America		South America	Africa	Asia		Australasia	Total	
UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia			
Subsidiaries										
At 1 January 2008										
Developed	2,049	63	10,670	608	3,075	990	–	1,270	1,135	19,860
Undeveloped	553	410	4,705	421	7,973	1,410	–	1,269	4,529	21,270
	2,602	473	15,375	1,029	11,048	2,400	–	2,539	5,664	41,130
Changes attributable to										
Revisions of previous estimates	23	(8)	(2,063)	51	(456)	142	–	–	361	(1,950)
Improved recovery	77	9	1,322	16	159	6	–	108	2	1,699
Purchases of reserves-in-place	–	–	183	–	–	–	–	–	–	183
Discoveries and extensions	–	–	549	125	948	82	–	37	–	1,741
Production ^b	(298)	(11)	(834)	(94)	(946)	(198)	–	(274)	(140)	(2,795)
Sales of reserves-in-place	–	–	–	–	(3)	–	–	–	–	(3)
	(198)	(10)	(843)	98	(298)	32	–	(129)	223	(1,125)
At 31 December 2008 ^c										
Developed	1,822	61	9,059	659	3,316	1,050	–	1,102	1,887	18,956
Undeveloped	582	402	5,473	468	7,434	1,382	–	1,308	4,000	21,049
	2,404	463	14,532	1,127	10,750	2,432	–	2,410	5,887	40,005
Equity-accounted entities (BP share)^d										
At 1 January 2008										
Developed	–	–	–	–	1,478	–	808	187	–	2,473
Undeveloped	–	–	–	–	831	–	353	113	–	1,297
	–	–	–	–	2,309	–	1,161	300	–	3,770
Changes attributable to										
Revisions of previous estimates	–	–	–	–	(96)	182	1,273	(2)	–	1,357
Improved recovery	–	–	–	–	301	–	–	11	–	312
Purchases of reserves-in-place	–	–	–	–	3	–	–	–	–	3
Discoveries and extensions	–	–	–	–	192	–	–	–	–	192
Production ^b	–	–	–	–	(188)	–	(221)	(22)	–	(431)
Sales of reserves-in-place	–	–	–	–	–	–	–	–	–	–
	–	–	–	–	212	182	1,052	(13)	–	1,433
At 31 December 2008 ^c										
Developed	–	–	–	–	1,498	–	1,560	176	–	3,234
Undeveloped	–	–	–	–	1,023	182	653	111	–	1,969
	–	–	–	–	2,521	182	2,213	287	–	5,203
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2008										
Developed	2,049	63	10,670	608	4,553	990	808	1,457	1,135	22,333
Undeveloped	553	410	4,705	421	8,804	1,410	353	1,382	4,529	22,567
	2,602	473	15,375	1,029	13,357	2,400	1,161	2,839	5,664	44,900
At 31 December 2008										
Developed	1,822	61	9,059	659	4,814	1,050	1,560	1,278	1,887	22,190
Undeveloped	582	402	5,473	468	8,457	1,564	653	1,419	4,000	23,018
	2,404	463	14,532	1,127	13,271	2,614	2,213	2,697	5,887	45,208

^a Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^b Includes 193 billion cubic feet of natural gas consumed in operations, 149 billion cubic feet in subsidiaries, 44 billion cubic feet in equity-accounted entities and excludes 17 billion cubic feet of produced non-hydrocarbon components that meet regulatory requirements for sales.

^c Includes 3,108 billion cubic feet of natural gas in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^d Volumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^e Includes 131 billion cubic feet of natural gas in respect of the 5.92% minority interest in TNK-BP.

Movements in estimated net proved reserves continued – total hydrocarbons^a

million barrels of oil equivalent ^b										
										2008
Europe		North America		South America	Africa	Asia		Australasia	Total	
UK	Rest of Europe	US ^c	Rest of North America			Russia	Rest of Asia			
Subsidiaries										
At 1 January 2008										
Developed	767	116	3,722	118	631	427	–	340	240	6,361
Undeveloped	219	239	2,077	74	1,576	593	–	591	853	6,222
	986	355	5,799	192	2,207	1,020	–	931	1,093	12,583
Changes attributable to										
Revisions of previous estimates	20	(12)	(569)	10	(71)	289	–	194	67	(72)
Improved recovery	52	30	410	3	36	18	–	61	4	614
Purchases of reserves-in-place	–	–	32	–	–	–	–	–	–	32
Discoveries and extensions	–	–	158	22	168	187	–	7	–	542
Production ^{d,e}	(115)	(18)	(334)	(20)	(186)	(135)	–	(94)	(35)	(937)
Sales of reserves-in-place	–	–	–	–	(200)	–	–	–	–	(200)
	(43)	–	(303)	15	(253)	359	–	168	36	(21)
At 31 December 2008 ^f										
Developed	724	91	3,279	126	617	645	–	385	382	6,249
Undeveloped	219	264	2,217	81	1,337	734	–	714	747	6,313
	943	355	5,496	207	1,954	1,379	–	1,099	1,129	12,562
Equity-accounted entities (BP share)^g										
At 1 January 2008										
Developed	–	–	–	–	583	–	2,233	606	–	3,422
Undeveloped	–	–	–	–	386	–	1,199	224	–	1,809
	–	–	–	–	969	–	3,432	830	–	5,231
Changes attributable to										
Revisions of previous estimates	–	–	–	–	(20)	42	436	(1)	–	457
Improved recovery	–	–	–	–	115	–	–	2	–	117
Purchases of reserves-in-place	–	–	–	–	200	–	–	–	–	200
Discoveries and extensions	–	–	–	–	46	–	26	–	–	72
Production ^{d,e}	–	–	–	–	(66)	–	(341)	(84)	–	(491)
Sales of reserves-in-place	–	–	–	–	–	–	(1)	–	–	(1)
	–	–	–	–	275	42	120	(83)	–	354
At 31 December 2008 ^h										
Developed	–	–	–	–	658	–	2,495	529	–	3,682
Undeveloped	–	–	–	–	586	42	1,057	218	–	1,903
	–	–	–	–	1,244	42	3,552	747	–	5,585
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2008										
Developed	767	116	3,722	118	1,214	427	2,233	946	240	9,783
Undeveloped	219	239	2,077	74	1,962	593	1,199	815	853	8,031
	986	355	5,799	192	3,176	1,020	3,432	1,761	1,093	17,814
At 31 December 2008										
Developed	724	91	3,279	126	1,275	645	2,495	914	382	9,931
Undeveloped	219	264	2,217	81	1,923	776	1,057	932	747	8,216
	943	355	5,496	207	3,198	1,421	3,552	1,846	1,129	18,147

^a Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^b 5.8 billion cubic feet of natural gas = 1 million barrels of oil equivalent.

^c Proved reserves in the Prudhoe Bay field in Alaska include an estimated 54 million barrels of oil equivalent on which a net profits royalty will be payable over the life of the field under the terms of the BP Prudhoe Bay Royalty Trust.

^d Excludes NGLs from processing plants in which an interest is held of 19 thousand barrels of oil equivalent a day.

^e Includes 33 million barrels of oil equivalent of natural gas consumed in operations, 25 million barrels of oil equivalent in subsidiaries, 8 million barrels of oil equivalent in equity-accounted entities and excludes 3 million barrels of oil equivalent of produced non-hydrocarbon components that meet regulatory requirements for sales.

^f Includes 807 million barrels of NGLs. Also includes 557 million barrels of oil equivalent in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^g Volumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^h Includes 36 million barrels of NGLs. Also includes 239 million barrels of oil equivalent in respect of the minority interest in TNK-BP.

Movements in estimated net proved reserves continued – crude oil^a

million barrels										
										2009
Europe		North America		South America	Africa	Asia		Australasia	Total	
UK	Rest of Europe	US ^b	Rest of North America			Russia	Rest of Asia			
Subsidiaries										
At 1 January 2009										
Developed	410	81	1,717	11	47	464	–	195	56	2,981
Undeveloped	119	194	1,273	1	55	496	–	488	58	2,684
	529	275	2,990	12	102	960	–	683	114	5,665
Changes attributable to										
Revisions of previous estimates	7	(1)	165	2	18	(121)	–	(128)	3	(55)
Improved recovery	42	7	82	–	7	32	–	31	2	203
Purchases of reserves-in-place	1	–	–	–	–	–	–	1	–	2
Discoveries and extensions	184	–	73	–	–	114	–	–	7	378
Production ^c	(61)	(14)	(237)	(2)	(22)	(109)	–	(45)	(11)	(501)
Sales of reserves-in-place	(8)	–	–	–	–	–	–	(26)	–	(34)
	165	(8)	83	–	3	(84)	–	(167)	1	(7)
At 31 December 2009 ^d										
Developed	403	83	1,862	11	49	422	–	182	58	3,070
Undeveloped	291	184	1,211	1	56	454	–	334	57	2,588
	694	267	3,073	12	105	876	–	516	115	5,658
Equity-accounted entities (BP share)^e										
At 1 January 2009										
Developed	–	–	–	–	399	–	2,227	499	–	3,125
Undeveloped	–	–	–	–	409	11	944	199	–	1,563
	–	–	–	–	808	11	3,171	698	–	4,688
Changes attributable to										
Revisions of previous estimates	–	–	–	–	2	(2)	590	(28)	–	562
Improved recovery	–	–	–	–	50	–	8	–	–	58
Purchases of reserves-in-place	–	–	–	–	–	–	–	–	–	–
Discoveries and extensions	–	–	–	–	3	–	87	–	–	90
Production	–	–	–	–	(37)	–	(307)	(71)	–	(415)
Sales of reserves-in-place	–	–	–	–	(14)	–	–	(116)	–	(130)
	–	–	–	–	4	(2)	378	(215)	–	165
At 31 December 2009 ^f										
Developed	–	–	–	–	407	–	2,351	363	–	3,121
Undeveloped	–	–	–	–	405	9	1,198	120	–	1,732
	–	–	–	–	812	9	3,549	483	–	4,853
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2009										
Developed	410	81	1,717	11	446	464	2,227	694	56	6,106
Undeveloped	119	194	1,273	1	464	507	944	687	58	4,247
	529	275	2,990	12	910	971	3,171	1,381	114	10,353
At 31 December 2009										
Developed	403	83	1,862	11	456	422	2,351	545	58	6,191
Undeveloped	291	184	1,211	1	461	463	1,198	454	57	4,320
	694	267	3,073	12	917	885	3,549	999	115	10,511

^aCrude oil includes NGLs and condensate. Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^bProved reserves in the Prudhoe Bay field in Alaska include an estimated 68 million barrels on which a net profits royalty will be payable over the life of the field under the terms of the BP Prudhoe Bay Royalty Trust.

^cExcludes NGLs from processing plants in which an interest is held of 26 thousand barrels a day.

^dIncludes 819 million barrels of NGLs. Also includes 23 million barrels of crude oil in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^eVolumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^fIncludes 20 million barrels of NGLs. Also includes 243 million barrels of crude oil in respect of the 6.86% minority interest in TNK-BP.

Movements in estimated net proved reserves continued – natural gas^a

billion cubic feet										
										2009
Europe		North America		South America	Africa	Asia		Australasia	Total	
UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia			
Subsidiaries										
At 1 January 2009										
Developed	1,822	61	9,059	659	3,316	1,050	–	1,102	1,887	18,956
Undeveloped	582	402	5,473	468	7,434	1,382	–	1,308	4,000	21,049
	2,404	463	14,532	1,127	10,750	2,432	–	2,410	5,887	40,005
Changes attributable to										
Revisions of previous estimates	(114)	(8)	549	43	322	270	–	(231)	22	853
Improved recovery	34	–	550	5	322	49	–	82	75	1,117
Purchases of reserves-in-place	159	–	–	–	–	–	–	31	–	190
Discoveries and extensions	150	–	496	94	105	59	–	–	531	1,435
Production ^b	(243)	(9)	(907)	(100)	(929)	(249)	–	(241)	(189)	(2,867)
Sales of reserves-in-place	(118)	–	(4)	–	–	–	–	(223)	–	(345)
	(132)	(17)	684	42	(180)	129	–	(582)	439	383
At 31 December 2009 ^c										
Developed	1,602	49	9,583	716	3,177	1,107	–	1,579	3,219	21,032
Undeveloped	670	397	5,633	453	7,393	1,454	–	249	3,107	19,356
	2,272	446	15,216	1,169	10,570	2,561	–	1,828	6,326	40,388
Equity-accounted entities (BP share)^d										
At 1 January 2009										
Developed	–	–	–	–	1,498	–	1,560	176	–	3,234
Undeveloped	–	–	–	–	1,023	182	653	111	–	1,969
	–	–	–	–	2,521	182	2,213	287	–	5,203
Changes attributable to										
Revisions of previous estimates	–	–	–	–	(26)	(17)	204	(19)	–	142
Improved recovery	–	–	–	–	314	–	1	4	–	319
Purchases of reserves-in-place	–	–	–	–	–	–	–	–	–	–
Discoveries and extensions	–	–	–	–	6	–	23	–	–	29
Production ^b	–	–	–	–	(165)	–	(219)	(25)	–	(409)
Sales of reserves-in-place	–	–	–	–	(388)	–	–	(154)	–	(542)
	–	–	–	–	(259)	(17)	9	(194)	–	(461)
At 31 December 2009 ^e										
Developed	–	–	–	–	1,252	–	1,703	80	–	3,035
Undeveloped	–	–	–	–	1,010	165	519	13	–	1,707
	–	–	–	–	2,262	165	2,222	93	–	4,742
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2009										
Developed	1,822	61	9,059	659	4,814	1,050	1,560	1,278	1,887	22,190
Undeveloped	582	402	5,473	468	8,457	1,564	653	1,419	4,000	23,018
	2,404	463	14,532	1,127	13,271	2,614	2,213	2,697	5,887	45,208
At 31 December 2009										
Developed	1,602	49	9,583	716	4,429	1,107	1,703	1,659	3,219	24,067
Undeveloped	670	397	5,633	453	8,403	1,619	519	262	3,107	21,063
	2,272	446	15,216	1,169	12,832	2,726	2,222	1,921	6,326	45,130

^a Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^b Includes 195 billion cubic feet of natural gas consumed in operations, 164 billion cubic feet in subsidiaries, 31 billion cubic feet in equity-accounted entities and excludes 16 billion cubic feet of produced non-hydrocarbon components that meet regulatory requirements for sales.

^c Includes 3,068 billion cubic feet of natural gas in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^d Volumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^e Includes 131 billion cubic feet of natural gas in respect of the 5.79% minority interest in TNK-BP.

Movements in estimated net proved reserves continued – total hydrocarbons^a

million barrels of oil equivalent ^b										
										2009
Europe		North America		South America	Africa	Asia		Australasia	Total	
UK	Rest of Europe	US ^c	Rest of North America			Russia	Rest of Asia			
Subsidiaries										
At 1 January 2009										
Developed	724	91	3,279	126	617	645	–	385	382	6,249
Undeveloped	219	264	2,217	81	1,337	734	–	714	747	6,313
	943	355	5,496	207	1,954	1,379	–	1,099	1,129	12,562
Changes attributable to										
Revisions of previous estimates	(13)	(2)	260	9	74	(74)	–	(168)	7	93
Improved recovery	48	7	177	1	63	40	–	45	15	396
Purchases of reserves-in-place	28	–	–	–	–	–	–	6	–	34
Discoveries and extensions	210	–	158	17	18	124	–	–	98	625
Production ^{d,e}	(102)	(16)	(393)	(20)	(182)	(152)	–	(86)	(44)	(995)
Sales of reserves-in-place	(28)	–	(1)	–	–	–	–	(65)	–	(94)
	143	(11)	201	7	(27)	(62)	–	(268)	76	59
At 31 December 2009 ^f										
Developed	680	91	3,514	135	596	613	–	455	612	6,696
Undeveloped	406	253	2,183	79	1,331	704	–	376	593	5,925
	1,086	344	5,697	214	1,927	1,317	–	831	1,205	12,621
Equity-accounted entities (BP share)^g										
At 1 January 2009										
Developed	–	–	–	–	658	–	2,495	529	–	3,682
Undeveloped	–	–	–	–	586	42	1,057	218	–	1,903
	–	–	–	–	1,244	42	3,552	747	–	5,585
Changes attributable to										
Revisions of previous estimates	–	–	–	–	(2)	(5)	625	(32)	–	586
Improved recovery	–	–	–	–	104	–	8	1	–	113
Purchases of reserves-in-place	–	–	–	–	–	–	–	–	–	–
Discoveries and extensions	–	–	–	–	4	–	92	–	–	96
Production ^{d,e}	–	–	–	–	(66)	–	(345)	(75)	–	(486)
Sales of reserves-in-place	–	–	–	–	(81)	–	–	(142)	–	(223)
	–	–	–	–	(41)	(5)	380	(248)	–	86
At 31 December 2009 ^h										
Developed	–	–	–	–	623	–	2,645	377	–	3,645
Undeveloped	–	–	–	–	580	37	1,287	122	–	2,026
	–	–	–	–	1,203	37	3,932	499	–	5,671
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2009										
Developed	724	91	3,279	126	1,275	645	2,495	914	382	9,931
Undeveloped	219	264	2,217	81	1,923	776	1,057	932	747	8,216
	943	355	5,496	207	3,198	1,421	3,552	1,846	1,129	18,147
At 31 December 2009										
Developed	680	91	3,514	135	1,219	613	2,645	832	612	10,341
Undeveloped	406	253	2,183	79	1,911	741	1,287	498	593	7,951
	1,086	344	5,697	214	3,130	1,354	3,932	1,330	1,205	18,292

^a Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^b 5.8 billion cubic feet of natural gas = 1 million barrels of oil equivalent.

^c Proved reserves in the Prudhoe Bay field in Alaska include an estimated 68 million barrels of oil equivalent on which a net profits royalty will be payable, over the life of the field under the terms of the BP Prudhoe Bay Royalty Trust.

^d Excludes NGLs from processing plants in which an interest is held of 26 thousand barrels of oil equivalent a day.

^e Includes 34 million barrels of oil equivalent of natural gas consumed in operations, 29 million barrels of oil equivalent in subsidiaries, 5 million barrels of oil equivalent in equity-accounted entities and excludes 3 million barrels of oil equivalent of produced non-hydrocarbon components that meet regulatory requirements for sales.

^f Includes 819 million barrels of NGLs. Also includes 552 million barrels of oil equivalent in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^g Volumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^h Includes 20 million barrels of NGLs. Also includes 266 million barrels of oil equivalent in respect of the minority interest in TNK-BP.

Movements in estimated net proved reserves continued – crude oil^a

	million barrels									
	2010									
	Europe		North America		South America	Africa	Asia		Australasia	Total
	UK	Rest of Europe	US ^b	Rest of North America			Russia	Rest of Asia		
Subsidiaries										
At 1 January 2010										
Developed	403	83	1,862	11	49	422	–	182	58	3,070
Undeveloped	291	184	1,211	1	56	454	–	334	57	2,588
	694	267	3,073	12	105	876	–	516	115	5,658
Changes attributable to										
Revisions of previous estimates	20	3	(45)	1	(1)	(62)	–	(62)	–	(146)
Improved recovery	100	9	133	–	17	14	–	145	3	421
Purchases of reserves-in-place	–	33	6	–	–	–	–	38	–	77
Discoveries and extensions	31	1	80	–	–	19	–	–	–	131
Production ^{c d}	(50)	(15)	(211)	(2)	(19)	(87)	–	(43)	(12)	(439)
Sales of reserves-in-place	–	–	(117)	(11)	–	(15)	–	–	–	(143)
	101	31	(154)	(12)	(3)	(131)	–	78	(9)	(99)
At 31 December 2010 ^{e f}										
Developed	364	77	1,729	–	44	371	–	269	48	2,902
Undeveloped	431	221	1,190	–	58	374	–	325	58	2,657
	795	298	2,919	–	102	745	–	594	106	5,559
Equity-accounted entities (BP share) ^g										
At 1 January 2010										
Developed	–	–	–	–	407	–	2,351	363	–	3,121
Undeveloped	–	–	–	–	405	9	1,198	120	–	1,732
	–	–	–	–	812	9	3,549	483	–	4,853
Changes attributable to										
Revisions of previous estimates	–	–	–	–	4	3	248	(20)	–	235
Improved recovery	–	–	–	–	33	–	269	–	–	302
Purchases of reserves-in-place	–	–	–	–	–	–	–	–	–	–
Discoveries and extensions	–	–	–	–	1	–	–	–	–	1
Production	–	–	–	–	(35) ^{h i}	–	(313)	(69)	–	(417)
Sales of reserves-in-place	–	–	–	–	–	–	(3)	–	–	(3)
	–	–	–	–	3	3	201	(89)	–	118
At 31 December 2010 ^j										
Developed	–	–	–	–	408	–	2,388	370	–	3,166
Undeveloped	–	–	–	–	407	12	1,362	24	–	1,805
	–	–	–	–	815 ^k	12	3,750	394	–	4,971
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2010										
Developed	403	83	1,862	11	456	422	2,351	545	58	6,191
Undeveloped	291	184	1,211	1	461	463	1,198	454	57	4,320
	694	267	3,073	12	917	885	3,549	999	115	10,511
At 31 December 2010										
Developed	364	77	1,729	–	452	371	2,388	639	48	6,068
Undeveloped	431	221	1,190	–	465	386	1,362	349	58	4,462
	795	298	2,919	–	917	757	3,750	988	106	10,530

^aCrude oil includes NGLs and condensate. Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^bProved reserves in the Prudhoe Bay field in Alaska include an estimated 78 million barrels on which a net profits royalty will be payable over the life of the field under the terms of the BP Prudhoe Bay Royalty Trust.

^cExcludes NGLs from processing plants in which an interest is held of 29 thousand barrels a day.

^dIncludes 15 million barrels of crude oil sold relating to production from assets held for sale at 31 December 2010. Amounts by region are: 2 million barrels in US, 6 million barrels in South America, and 7 million barrels in Rest of Asia.

^eIncludes 643 million barrels of NGLs. Also includes 22 million barrels of crude oil in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^fIncludes 70 million barrels relating to assets held for sale at 31 December 2010. Amounts by region are: 6 million barrels in US, 30 million barrels in South America, and 34 million barrels in Rest of Asia.

^gVolumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^hIncludes 4 million barrels of crude oil sold relating to production since classification of equity-accounted entities as held for sale.

ⁱIncludes 35 million barrels of crude oil sold relating to production from assets held for sale at 31 December 2010.

^jIncludes 18 million barrels of NGLs. Also includes 254 million barrels of crude oil in respect of the 7.03% minority interest in TNK-BP.

^kIncludes 801 million barrels relating to assets held for sale at 31 December 2010.

Movements in estimated net proved reserves continued – natural gas^a

billion cubic feet										
										2010
Europe		North America		South America	Africa	Asia		Australasia	Total	
UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia			
Subsidiaries										
At 1 January 2010										
Developed	1,602	49	9,583	716	3,177	1,107	–	1,579	3,219	21,032
Undeveloped	670	397	5,633	453	7,393	1,454	–	249	3,107	19,356
	2,272	446	15,216	1,169	10,570	2,561	–	1,828	6,326	40,388
Changes attributable to										
Revisions of previous estimates	(8)	(5)	(1,854)	(11)	2	3	–	(142)	(191)	(2,206)
Improved recovery	152	6	830	–	512	18	–	83	58	1,659
Purchases of reserves-in-place	–	31	97	1	–	–	–	17	–	146
Discoveries and extensions	26	–	739	9	19	1,378	–	–	–	2,171
Production ^{b c}	(191)	(8)	(861)	(77)	(953)	(229)	–	(228)	(288)	(2,835)
Sales of reserves-in-place	(6)	–	(424)	(1,033)	–	(51)	–	–	–	(1,514)
	(27)	24	(1,473)	(1,111)	(420)	1,119	–	(270)	(421)	(2,579)
At 31 December 2010 ^{d e}										
Developed	1,416	40	9,495	58	3,575	1,329	–	1,290	3,563	20,766
Undeveloped	829	430	4,248	–	6,575	2,351	–	268	2,342	17,043
	2,245	470	13,743	58	10,150	3,680	–	1,558	5,905	37,809
Equity-accounted entities (BP share)^f										
At 1 January 2010										
Developed	–	–	–	–	1,252	–	1,703	80	–	3,035
Undeveloped	–	–	–	–	1,010	165	519	13	–	1,707
	–	–	–	–	2,262	165	2,222	93	–	4,742
Changes attributable to										
Revisions of previous estimates	–	–	–	–	(141)	10	382	2	–	253
Improved recovery	–	–	–	–	291	–	–	12	–	303
Purchases of reserves-in-place	–	–	–	–	–	–	–	–	–	–
Discoveries and extensions	–	–	–	–	23	–	–	–	–	23
Production ^b	–	–	–	–	(168) ^{g h}	–	(244)	(17)	–	(429)
Sales of reserves-in-place	–	–	–	–	–	–	(1)	–	–	(1)
	–	–	–	–	5	10	137	(3)	–	149
At 31 December 2010 ⁱ										
Developed	–	–	–	–	1,075	–	1,900	71	–	3,046
Undeveloped	–	–	–	–	1,192	175	459	19	–	1,845
	–	–	–	–	2,267 ^j	175	2,359	90	–	4,891
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2010										
Developed	1,602	49	9,583	716	4,429	1,107	1,703	1,659	3,219	24,067
Undeveloped	670	397	5,633	453	8,403	1,619	519	262	3,107	21,063
	2,272	446	15,216	1,169	12,832	2,726	2,222	1,921	6,326	45,130
At 31 December 2010										
Developed	1,416	40	9,495	58	4,650	1,329	1,900	1,361	3,563	23,812
Undeveloped	829	430	4,248	–	7,767	2,526	459	287	2,342	18,888
	2,245	470	13,743	58	12,417	3,855	2,359	1,648	5,905	42,700

^a Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^b Includes 204 billion cubic feet of natural gas consumed in operations, 166 billion cubic feet in subsidiaries, 38 billion cubic feet in equity-accounted entities and excludes 14 billion cubic feet of produced non-hydrocarbon components that meet regulatory requirements for sales.

^c Includes 133 billion cubic feet of gas (excluding gas consumed in operations) relating to production from assets held for sale at 31 December 2010. Amounts by region are: 23 billion cubic feet in US 27 billion cubic feet in South America and 83 billion cubic feet in Rest of Asia.

^d Includes 2,921 billion cubic feet of natural gas in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^e Includes 740 billion cubic feet relating to assets held for sale at 31 December 2010. Amounts by region are: 158 billion cubic feet in US 205 billion cubic feet in South America and 377 billion cubic feet in Rest of Asia.

^f Volumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^g Includes 12 billion cubic feet of gas sales relating to production since classification of equity-accounted entities as held for sale.

^h Includes 141 billion cubic feet of gas (excluding gas consumed in operations) relating to production from assets held for sale at 31 December 2010.

ⁱ Includes 137 billion cubic feet of natural gas in respect of the 5.89% minority interest in TNK-BP.

^j Includes 1,819 billion cubic feet relating to assets held for sale at 31 December 2010.

Movements in estimated net proved reserves continued – bitumen^a

	million barrels	
	2010	
	Rest of North America	Total
Equity-accounted entities (BP share)		
At 1 January 2010		
Developed	–	–
Undeveloped	–	–
	–	–
Changes attributable to		
Revisions of previous estimates	–	–
Improved recovery	–	–
Purchases of reserves-in-place	–	–
Discoveries and extensions	179	179
Production	–	–
Sales of reserves-in-place	–	–
	179	179
At 31 December 2010		
Developed	–	–
Undeveloped	179	179
	179	179

^a Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

Movements in estimated net proved reserves continued – total hydrocarbons^a

million barrels of oil equivalent ^b										
										2010
Europe		North America		South America	Africa	Asia		Australasia	Total	
UK	Rest of Europe	US ^c	Rest of North America			Russia	Rest of Asia			
Subsidiaries										
At 1 January 2010										
Developed	680	91	3,514	135	596	613	–	455	612	6,696
Undeveloped	406	253	2,183	79	1,331	704	–	376	593	5,925
	1,086	344	5,697	214	1,927	1,317	–	831	1,205	12,621
Changes attributable to										
Revisions of previous estimates	18	2	(364)	(2)	(1)	(61)	–	(87)	(33)	(528)
Improved recovery	126	10	276	–	105	17	–	160	13	707
Purchases of reserves-in-place	–	38	22	–	–	–	–	41	–	101
Discoveries and extensions	36	1	207	2	4	257	–	–	–	507
Production ^{d e f}	(83)	(16)	(359)	(15)	(183)	(127)	–	(83)	(61)	(927)
Sales of reserves-in-place	(1)	–	(190)	(189)	–	(24)	–	–	–	(404)
	96	35	(408)	(204)	(75)	62	–	31	(81)	(544)
At 31 December 2010 ^{g h}										
Developed	608	84	3,366	10	660	600	–	491	662	6,481
Undeveloped	574	295	1,923	–	1,192	779	–	371	462	5,596
	1,182	379	5,289	10	1,852	1,379	–	862	1,124	12,077
Equity-accounted entities (BP share)ⁱ										
At 1 January 2010										
Developed	–	–	–	–	623	–	2,645	377	–	3,645
Undeveloped	–	–	–	–	580	37	1,287	122	–	2,026
	–	–	–	–	1,203	37	3,932	499	–	5,671
Changes attributable to										
Revisions of previous estimates	–	–	–	–	(20)	6	314	(19)	–	281
Improved recovery	–	–	–	–	83	–	269	2	–	354
Purchases of reserves-in-place	–	–	–	–	–	–	–	–	–	–
Discoveries and extensions	–	–	–	179	4	–	–	–	–	183
Production ^{d e}	–	–	–	–	(64) ^{j k}	–	(354)	(73)	–	(491)
Sales of reserves-in-place	–	–	–	–	–	–	(4)	–	–	(4)
	–	–	–	179	3	6	225	(90)	–	323
At 31 December 2010 ^l										
Developed	–	–	–	–	593	–	2,716	382	–	3,691
Undeveloped	–	–	–	179	613	43	1,441	27	–	2,303
	–	–	–	179	1,206 ^m	43	4,157	409	–	5,994
Total subsidiaries and equity-accounted entities (BP share)ⁿ										
At 1 January 2010										
Developed	680	91	3,514	135	1,219	613	2,645	832	612	10,341
Undeveloped	406	253	2,183	79	1,911	741	1,287	498	593	7,951
	1,086	344	5,697	214	3,130	1,354	3,932	1,330	1,205	18,292
At 31 December 2010										
Developed	608	84	3,366	10	1,253	600	2,716	873	662	10,172
Undeveloped	574	295	1,923	179	1,805	822	1,441	398	462	7,899
	1,182	379	5,289	189	3,058	1,422	4,157	1,271	1,124	18,071

^a Proved reserves exclude royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^b 5.8 billion cubic feet of natural gas = 1 million barrels of oil equivalent.

^c Proved reserves in the Prudhoe Bay field in Alaska include an estimated 78 million barrels of oil equivalent on which a net profits royalty will be payable, over the life of the field under the terms of the BP Prudhoe Bay Royalty Trust.

^d Excludes NGLs from processing plants in which an interest is held of 29 thousand barrels of oil equivalent a day.

^e Includes 35 million barrels of oil equivalent of natural gas consumed in operations, 28 million barrels of oil equivalent in subsidiaries, 7 million barrels of oil equivalent in equity-accounted entities and excludes 2 million barrels of oil equivalent of produced non-hydrocarbon components that meet regulatory requirements for sales.

^f Includes 38 million barrels of oil equivalent (excluding gas consumed in operations) relating to production from assets held for sale at 31 December 2010. Amounts by region are: 6 million barrels of oil equivalent in US, 11 million barrels of oil equivalent in South America, and 21 million barrels of oil equivalent in Rest of Asia.

^g Includes 643 million barrels of NGLs. Also includes 526 million barrels of oil equivalent in respect of the 30% minority interest in BP Trinidad and Tobago LLC.

^h Includes 197 million barrels of oil equivalent relating to assets held for sale at 31 December 2010. Amounts by region are: 34 million barrels of oil equivalent in US, 64 million barrels of oil equivalent in South America, and 99 million barrels of oil equivalent in Rest of Asia.

ⁱ Volumes of equity-accounted entities include volumes of equity-accounted investments of those entities.

^j Includes 6 million barrels of oil equivalent sold relating to production since classification of equity-accounted entities as held for sale.

^k Includes 59 million barrels of oil equivalent (excluding gas consumed in operations) relating to production from assets held for sale at 31 December 2010.

^l Includes 18 million barrels of NGLs. Also includes 278 million barrels of oil equivalent in respect of the minority interest in TNK-BP.

^m Includes 1,114 million barrels of oil equivalent relating to assets held for sale at 31 December 2010.

ⁿ Includes 1,311 million barrels of oil equivalent (197 million barrels of oil equivalent for subsidiaries and 1,114 million barrels of oil equivalent for equity-accounted entities) associated with properties currently held for sale where the disposal has not yet been completed.

Group production interests – liquids

		thousand barrels per day				
Subsidiaries		BP net share of production ^a				
	Field or area	2006	2007	2008	2009	2010
UK ^b	ETAP ^c	49	32	27	34	28
	Foinaven ^d	37	37	26	29	24
	Other	167	132	120	105	85
		253	201	173	168	137
Total UK		60	51	43	40	40
Norway ^b	Various	1	–	–	–	–
Netherlands	Various	61	51	43	40	40
Total Rest of Europe		314	252	216	208	177
Total Europe		71	74	72	69	67
Alaska	Prudhoe Bay ^d	57	52	48	45	42
	Kuparuk	31	28	27	24	23
	Milne Point ^d	65	55	50	43	34
	Other	224	209	197	181	166
Total Alaska		125	108	97	97	90
Lower 48 onshore ^b	Various	–	–	24	133	120
Gulf of Mexico deepwater ^b	Thunder Horse ^d	–	2	42	54	49
	Atlantis ^d	17	25	31	35	30
	Mad Dog ^d	19	30	28	29	23
	Mars	41	32	29	27	25
	Na Kika ^d	23	18	18	25	14
	Horn Mountain ^d	28	22	23	22	21
	King ^d	70	67	49	62	56
	Other	198	196	244	387	338
Total Gulf of Mexico deepwater		547	513	538	665	594
Total US		8	8	9	8	7
Canada ^b	Various ^d	8	8	9	8	7
Total Rest of North America		555	521	547	673	601
Total North America		34	28	24	23	18
Colombia	Various ^d	40	30	38	38	36
Trinidad & Tobago	Various ^d	26	16	4	–	–
Venezuela ^b	Various	100	74	66	61	54
Total South America		–	12	69	70	73
Angola	Greater Plutonio ^d	–	–	30	43	31
	Kizomba C Dev	–	31	34	32	20
	Dalia	17	20	22	22	18
	Girassol FPSO	116	77	46	44	28
	Other	133	140	201	211	170
Total Angola		34	36	41	55	47
Egypt ^b	Gupco	8	7	16	16	12
	Other	42	43	57	71	59
Total Egypt		3	12	19	22	17
Algeria	Various	178	195	277	304	246
Total Africa		145	200	97	94	94
Azerbaijan ^b	Azeri-Chirag-Gunashli ^d	–	5	8	7	9
	Other	145	205	105	101	103
Total Azerbaijan		8	7	7	5	2
Western Indonesia ^b	Various	17	16	16	17	14
Other	Various	170	228	128	123	119
Total Rest of Asia ^b		170	228	128	123	119
Total Asia		34	34	29	31	30
Australia	Various	–	–	–	–	2
Other	Various	34	34	29	31	32
Total Australasia		1,351	1,304	1,263	1,400	1,229
Total subsidiaries ^e		876	832	826	840	856
Equity-accounted entities (BP share)		876	832	826	840	856
Russia – TNK-BP ^b	Various	163	192	210	182	190
Total Russia		8	9	10	12	1
Abu Dhabi ^f	Various	171	201	220	194	191
Other	Various	1,047	1,033	1,046	1,034	1,047
Total Rest of Asia ^b		69	69	70	75	75
Total Asia		4	6	19	25	23
Argentina	Various	4	2	3	1	–
Venezuela ^b	Various	77	77	92	101	98
Bolivia ^b	Various	1,124	1,110	1,138	1,135	1,145
Total South America		2,475	2,414	2,401	2,535	2,374
Total equity-accounted entities						
Total subsidiaries and equity-accounted entities						

^a Production excludes royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^b In 2010, BP divested its Permian Basin assets in Texas and south-east New Mexico, the East Badr El-Din and Western Desert concession in Egypt, its Canada gas assets and reduced its interest in the Tubular Bells and King fields in the Gulf of Mexico. It also acquired an increased holding in the Azeri-Chirag-Gunashli development in Azerbaijan and the Valhall and Hod fields in the Norwegian North Sea. Four other producing fields in the Gulf of Mexico that were acquired during 2010 were subsequently disposed of in early 2011. In 2009, BP assumed operatorship of the Mirpurkhas and Khipro blocks in Pakistan, swapped a number of assets with BG Group plc in the UK sector of the North Sea, divested some minor interests in the US Lower 48, divested its holdings in Indonesia's Offshore Northwest Java to Pertamina, divested its interests in LukArco to Lukoil and the Bolivian government nationalized, with compensation payable, Pan American Energy's shares of Chaco. In 2008, BP concluded the migration of the Cerro Negro operations to an incorporated joint venture with Petróleos de Venezuela, S.A. (PDVSA) while retaining its equity position, and TNK-BP disposed of some non-core interests. In 2007, BP divested its producing properties in the Netherlands and some producing properties in the US Lower 48 and Canada. TNK-BP disposed of its interests in several non-core properties. In 2006, BP divested its producing properties on the Outer Continental Shelf of the Gulf of Mexico and its interest in the Statford oil and gas field in the UK. Our interests in the Boquerón, Desarrollo Zulia Occidental (DZO) and Jusepin projects in Venezuela were reduced following a decision by the Venezuelan government. TNK-BP disposed of its non-core interests in the Udmurtneft assets.

^c Volumes relate to six BP-operated fields within ETAP. BP has no interests in the remaining three ETAP fields, which are operated by Shell.

^d BP-operated.

^e Includes 29 net mboe/d of NGLs from processing plants in which BP has an interest (2009 26mboe/d, 2008 19mboe/d, 2007 54mboe/d and 2006 55mboe/d).

^f The BP group holds interests, through associates, in onshore and offshore concessions in Abu Dhabi, expiring in 2014 and 2018 respectively. During the second quarter of 2007, we updated our reporting policy in Abu Dhabi to be consistent with general industry practice and as a result we report production and reserves there gross of production taxes.

Group production interests – natural gas

Subsidiaries	
	Field or area
UK ^b	Bruce/Rhum ^c Brae East Other
Total UK	
Netherlands ^b	Various
Norway ^b	Various
Total Rest of Europe	
Total Europe	
Lower 48 onshore ^b	San Juan ^c Jonah ^c Arkoma Central Arkoma West Arkoma East Wamsutter ^c Other
Total Lower 48 onshore	
Gulf of Mexico deepwater ^b	Thunder Horse ^c Other
Total Gulf of Mexico deepwater	
Alaska	Various
Total US	
Canada ^b	Various
Total Rest of North America	
Total North America	
Trinidad & Tobago	Mango ^c Cashima/NEQB ^c Kapak ^c Cannonball ^c Amherstia ^c Other ^c
Total Trinidad	
Colombia	Various
Venezuela ^b	Various
Total South America	
Egypt ^b	Temsah Ha'py ^c Taurt ^c Other
Total Egypt	
Algeria	Various
Total Africa	
Pakistan ^b	Various ^c
Azerbaijan ^b	Various ^c
Western Indonesia ^b	Sanga-Sanga Other
Total Western Indonesia	
China	Yacheng
Vietnam	Various ^c
Sharjah	Various ^c
Total Rest of Asia	
Total Asia	
Australia	Perseus/Athena Goodwyn Angel Other
Total Australia	
Eastern Indonesia	Tangguh ^c
Total Australasia	
Total subsidiaries ^d	
Equity-accounted entities (BP share)	
Russia – TNK-BP ^b	Various
Total Russia	
Western Indonesia	Various
Kazakhstan ^b	Various
Total Rest of Asia	
Total Asia	
Argentina	Various
Bolivia ^b	Various
Venezuela ^b	Various
Total South America	
Total equity-accounted entities ^d	
Total subsidiaries and equity-accounted entities	

million cubic feet per day				
BP net share of production ^a				
2006	2007	2008	2009	2010
170	161	165	110	100
84	60	71	62	46
682	547	523	446	326
936	768	759	618	472
56	3	–	–	–
35	26	23	16	15
91	29	23	16	15
1,027	797	782	634	487
765	694	682	659	629
133	173	221	227	185
225	204	240	194	164
–	–	–	65	128
–	–	–	67	112
113	120	136	146	126
684	659	607	597	531
1,920	1,850	1,886	1,955	1,875
–	–	11	83	80
389	269	219	220	183
389	269	230	303	263
67	55	41	58	46
2,376	2,174	2,157	2,316	2,184
282	255	245	263	202
282	255	245	263	202
2,658	2,429	2,402	2,579	2,338
–	22	471	664	544
–	6	375	571	679
946	984	619	540	541
504	628	336	225	156
176	155	288	197	25
639	638	357	233	301
2,265	2,433	2,446	2,430	2,473
92	104	84	62	71
5	6	2	–	–
2,362	2,543	2,532	2,492	2,544
70	118	109	118	90
99	108	94	94	73
–	–	24	73	75
102	89	145	177	192
271	315	372	462	430
159	153	112	159	126
430	468	484	621	556
88	121	162	173	150
–	73	143	126	132
84	75	69	71	69
80	81	97	35	1
164	156	166	106	70
102	85	91	83	95
97	82	61	63	77
120	92	73	59	50
571	609	696	610	574
571	609	696	610	574
114	193	229	142	165
108	107	74	139	118
–	–	6	120	133
142	76	71	39	46
364	376	380	440	462
–	–	1	74	323
364	376	381	514	785
7,412	7,222	7,277	7,450	7,332
544	451	564	601	640
544	451	564	601	640
37	33	31	31	30
8	8	8	11	–
45	41	39	42	30
589	492	603	643	670
370	369	385	378	379
46	60	63	11	11
–	–	6	3	9
416	429	454	392	399
1,005	921	1,057	1,035	1,069
8,417	8,143	8,334	8,485	8,401

^a Production excludes royalties due to others, whether payable in cash or in kind, where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.

^b In 2010, BP divested its Permian Basin assets in Texas and south-east New Mexico, the East Badr El-Din and Western Desert concession in Egypt, its Canada gas assets and reduced its interest in the Tubular Bells and King fields in the Gulf of Mexico. It also acquired an increased holding in the Azeri-Chirag-Gunashli development in Azerbaijan and the Valhall and Hod fields in the Norwegian North Sea. Four other producing fields in the Gulf of Mexico that were acquired during 2010 were subsequently disposed of in early 2011. In 2009, BP assumed operatorship of the Mirpurkhas and Khipro blocks in Pakistan, swapped a number of assets with BG Group plc in the UK sector of the North Sea, divested some minor interests in the US Lower 48, divested its holdings in Indonesia's Offshore Northwest Java to Pertamina, divested its interests in LukArco to Lukoil and the Bolivian government nationalized, with compensation payable, Pan American Energy's shares of Chaco. In 2008, BP concluded the migration of the Cerro Negro operations to an incorporated joint venture with PDVSA while retaining its equity position and TNK-BP disposed of some non-core interests. In 2007, BP divested its producing properties in the Netherlands and some producing properties in the US Lower 48 and Canada. TNK-BP disposed of its interests in several non-core properties. In 2006, BP divested its producing properties on the Outer Continental Shelf of the Gulf of Mexico and its interest in the Statfjord oil and gas field in the UK. Our interests in the Boqueron, DZO and Jusepin projects in Venezuela were reduced following a decision by the Venezuelan government. TNK-BP disposed of its non-core interests in the Udmurtneft assets.

^c BP-operated.

^d Natural gas production volumes exclude gas consumed in operations within the lease boundaries of the producing field, but the related reserves are included in the group's reserves.

Group production interests – oil and natural gas

Oil and natural gas production (net of royalty)

	thousand barrels oil equivalent per day				
	2006	2007	2008	2009	2010
US	957	888	910	1,064	970
Europe	491	389	351	317	261
Russia	970	910	923	944	967
Rest of World	1,508	1,631	1,654	1,673	1,624
Total group including equity-accounted entities	3,926	3,818	3,838	3,998	3,822

BP average liquids realizations^a

	\$ per barrel				
US	57.25	64.18	89.22	53.68	70.79
Europe	62.09	69.42	90.61	61.91	77.39
Rest of World	59.54	69.56	91.05	57.29	75.23
BP average	59.23	67.45	90.20	56.26	73.41

^a Crude oil and NGLs.

BP average natural gas realizations

	\$ thousand cubic feet				
US	5.74	5.43	6.77	3.07	3.88
Europe	6.48	6.38	8.37	4.75	5.49
Rest of World	3.70	3.71	5.19	3.14	3.86
BP average	4.72	4.53	6.00	3.25	3.97

Exploration interests

By geographical area

At 31 December

			Oil and natural gas acreage Thousands of acres								Total	
			Europe		North America		South America	Africa	Asia		Australasia	
			UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia		
2010												
Developed	– gross		346	65	6,920	198	1,738	497	2,282	2,434	162	14,642
	– net		189	21	4,184	157	471	195	885	935	35	7,072
Undeveloped ^a	– gross		1,311	186	6,970	7,185	12,434	21,373	32,137	18,366	7,330	107,292
	– net		775	79	4,663	4,380	6,398	16,072	15,475	8,955	2,796	59,593
2009												
Developed	– gross		366	65	7,587	1,186	1,740	539	4,123	2,191	200	17,997
	– net		201	19	4,609	850	470	222	1,794	842	39	9,046
Undeveloped ^a	– gross		1,602	486	7,985	6,967	7,361	21,979	10,357	15,191	4,109	76,037
	– net		919	226	4,979	5,009	3,471	16,463	4,683	6,597	911	43,258
2008												
Developed	– gross		390	64	7,657	1,170	1,981	500	4,072	2,416	711	18,961
	– net		193	18	4,783	844	570	212	1,768	906	113	9,407
Undeveloped ^a	– gross		1,615	519	7,733	7,842	7,744	21,524	10,079	18,760	3,505	79,321
	– net		916	234	5,332	5,501	3,580	16,009	4,544	7,996	884	44,996
2007												
Developed	– gross		428	143	7,414	1,156	1,637	541	4,071	2,410	695	18,495
	– net		201	34	4,742	836	474	225	1,768	904	105	9,289
Undeveloped ^a	– gross		1,696	505	6,451	6,297	5,232	15,759	13,821	18,341	3,521	71,623
	– net		967	227	4,574	3,941	1,971	9,755	5,777	7,867	884	35,963
2006												
Developed	– gross		433	138	7,392	1,133	2,028	477	3,991	2,243	694	18,529
	– net		203	44	4,725	830	640	211	1,728	576	105	9,062
Undeveloped ^a	– gross		2,100	1,053	6,809	6,387	6,049	16,215	13,778	22,775	3,674	78,840
	– net		1,154	339	4,797	4,026	1,835	9,764	5,694	9,708	908	38,225

^a Undeveloped acreage includes leases and concessions.

Exploration and development wells^a

		Europe		North America		South America	Africa	Asia		Australasia	Total
		UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia		
2010											
Exploratory	Productive	–	0.2	39.3	–	1.3	1.2	10.5	2.8	0.3	55.6
	Dry	0.7	–	0.3	–	0.9	1.4	4.0	–	–	7.3
Development	Productive	6.4	1.2	260.0	31.7	105.7	18.9	364.3	53.3	–	841.5
	Dry	1.7	–	0.5	–	1.2	2.7	–	2.4	–	8.5
2009											
Exploratory	Productive	0.1	–	47.2	–	3.0	4.5	7.0	5.3	0.6	67.7
	Dry	0.2	–	4.2	–	–	1.4	4.5	6.0	0.2	16.5
Development	Productive	9.3	1.5	403.8	17.9	135.4	20.8	293.0	45.8	1.6	929.1
	Dry	–	–	3.3	–	–	0.5	4.0	0.4	0.6	8.8
2008											
Exploratory	Productive	0.8	–	2.4	–	4.4	4.3	12.5	0.5	0.6	25.5
	Dry	–	0.5	0.9	0.1	0.4	2.6	23.0	0.5	0.4	28.4
Development	Productive	6.6	0.5	379.8	28.3	112.5	18.6	10.0	45.4	4.5	606.2
	Dry	0.2	–	1.1	0.9	2.9	1.5	19.5	2.1	–	28.2
2007											
Exploratory	Productive	1.6	–	4.1	0.5	–	6.1	16.0	1.7	1.1	31.1
	Dry	–	–	0.7	0.5	–	1.6	9.0	1.4	–	13.2
Development	Productive	0.4	0.8	401.2	36.0	10.0	15.3	246.0	27.5	2.1	739.3
	Dry	0.6	–	4.2	8.8	–	–	9.5	–	–	23.1
2006											
Exploratory	Productive	0.1	0.1	2.9	0.5	–	3.2	15.6	1.8	0.6	24.8
	Dry	–	–	7.4	–	1.0	0.5	5.7	1.6	0.2	16.4
Development	Productive	4.9	1.6	418.8	42.4	111.6	23.8	227.2	26.1	0.8	857.2
	Dry	–	–	4.5	3.0	2.0	–	20.8	1.0	0.2	31.5

^a Number of net productive and dry exploratory and development oil and natural gas wells completed or abandoned in the years indicated by the group and its equity-accounted entities. Productive wells include wells in which hydrocarbons were encountered and the drilling or completion of which, in the case of exploratory wells, has been suspended pending further drilling or evaluation. A dry well is one found to be incapable of producing hydrocarbons in sufficient quantities to justify completion.

Number of productive wells at 31 December 2010

		Europe		North America		South America	Africa	Asia		Australasia	Total
		UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia		
Oil wells ^a	Gross	251	84	2,709	7	3,705	596	20,235	1,889	13	29,489
	Net	130	32	1,121	3	2,063	454	9,081	424	2	13,310
Gas wells ^b	Gross	281	–	23,041	366	498	106	63	639	68	25,062
	Net	138	–	12,581	285	167	42	31	284	13	13,541

^a Includes approximately 3,989 gross (1,730 net) multiple completion wells (more than one formation producing into the same well bore).

^b Includes approximately 2,623 gross (1,673 net) multiple completion wells. If one of the multiple completions in a well is an oil completion, the well is classified as an oil well.

Drilling and production activities in progress at 31 December 2010^a

		Europe		North America		South America	Africa	Asia		Australasia	Total
		UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia		
Exploratory	Gross	1.0	–	211.0	3.0	1.0	3.0	11.0	3.0	–	233.0
	Net	0.2	–	45.2	1.5	–	1.6	5.5	1.2	–	55.2
Development	Gross	11.0	–	375.0	–	23.0	34.0	88.0	20.0	–	551.0
	Net	5.5	–	140.6	–	9.5	10.8	39.7	6.6	–	212.7

^a Includes suspended development and long-term suspended exploratory wells.

Liquefied natural gas projects

Liquefaction project participation

Country	Project/train	Gross capacity (mtpa)	BP % equity	BP net capacity (mtpa)	Markets served
Trinidad & Tobago	Atlantic LNG Train 1	3.3	34.0	1.1	US, Spain
	Atlantic LNG Trains 2-3	6.7	42.5	2.8	US, Spain
	Atlantic LNG Train 4	5.2	37.8	2.0	US, Dominican Republic
	North West Shelf Trains 1-5	16.3	16.7	2.7	Japan, China, Korea
Australia	ADGAS Trains 1-3	6.0	10.0	0.6	Japan
Abu Dhabi	Tangguh Trains 1-2	7.6	37.2	2.8	Mexico, China, Korea, Japan
Indonesia					
Total		45.1		12.0	

Regasification terminal participation

Country	Facility	Gross capacity (million standard cubic feet/d)	BP % equity	BP net ownership (million standard cubic feet/d)	BP capacity rights (million standard cubic feet/d)
China	Dapeng LNG (Guangdong)	860	30.0	260	—
US	Cove Point	960	0.0	—	320
UK	Isle of Grain Phase 1	450	0.0	—	225
Italy	Adriatic LNG (Rovigo)	800	0.0	—	100
Total		3,070		260	645

Equity gas production into LNG plant

	Trinidad & Tobago Atlantic LNG Trains 1-4	Australia North West Shelf Trains 1-5	Indonesia Bontang Tangguh Ph1	Egypt SEGAS Train 1	BP total (million standard cubic feet/d)
2006	1,490	281	110	—	1,881
2007	1,594	281	98	—	1,973
2008	1,605	353	152	48	2,158
2009	1,605	346	197	54	2,202
2010	1,649	371	413	63	2,496

LNG shipping^a

Vessel name	Status	Ownership	Delivery date	Capacity (m ³)
British Trader	Operational	Operating lease	4Q 2002	138,000
British Innovator	Operational	Operating lease	1Q 2003	138,000
British Merchant	Operational	Operating lease	3Q 2003	138,000
British Emerald	Operational	Operating lease	3Q 2007	155,000
British Ruby	Operational	Operating lease	3Q 2008	155,000
British Sapphire	Operational	Operating lease	3Q 2008	155,000
British Diamond	Operational	Operating lease	4Q 2008	155,000
Golar Arctic	Operational	Time-charter	1Q 2011	140,500
Total				1,174,500

^aExcludes shipping owned and operated within joint-venture projects.

Refining and Marketing

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Refining and Marketing

BP's Refining and Marketing business is responsible for the supply and trading, refining, manufacturing, marketing and transportation of crude oil, petroleum, petrochemicals products and related services to wholesale and retail customers.

We have significant operations in Europe and North America and also manufacture and market our products across Australasia, in China and other parts of Asia, Africa and Central and South America.

Our organization is managed through two main business groupings: fuels value chains (FVCs) and international businesses (IBs). The FVCs integrate the activities of refining, logistics, marketing and supply and trading on a regional basis. This provides the opportunity to optimize our activities from crude oil purchases to end consumer sales through our physical assets (refineries, terminals, pipelines and retail stations). The IBs operate on a global basis and include the manufacturing, supply and marketing of lubricants, petrochemicals, aviation fuels and liquefied petroleum gas.

Our purpose is to be the product and service-led arm of BP, focused on fuels, lubricants, petrochemicals products and related services.

We aim to be excellent in the markets we choose to be in – those that allow BP to serve the major energy markets of the world.

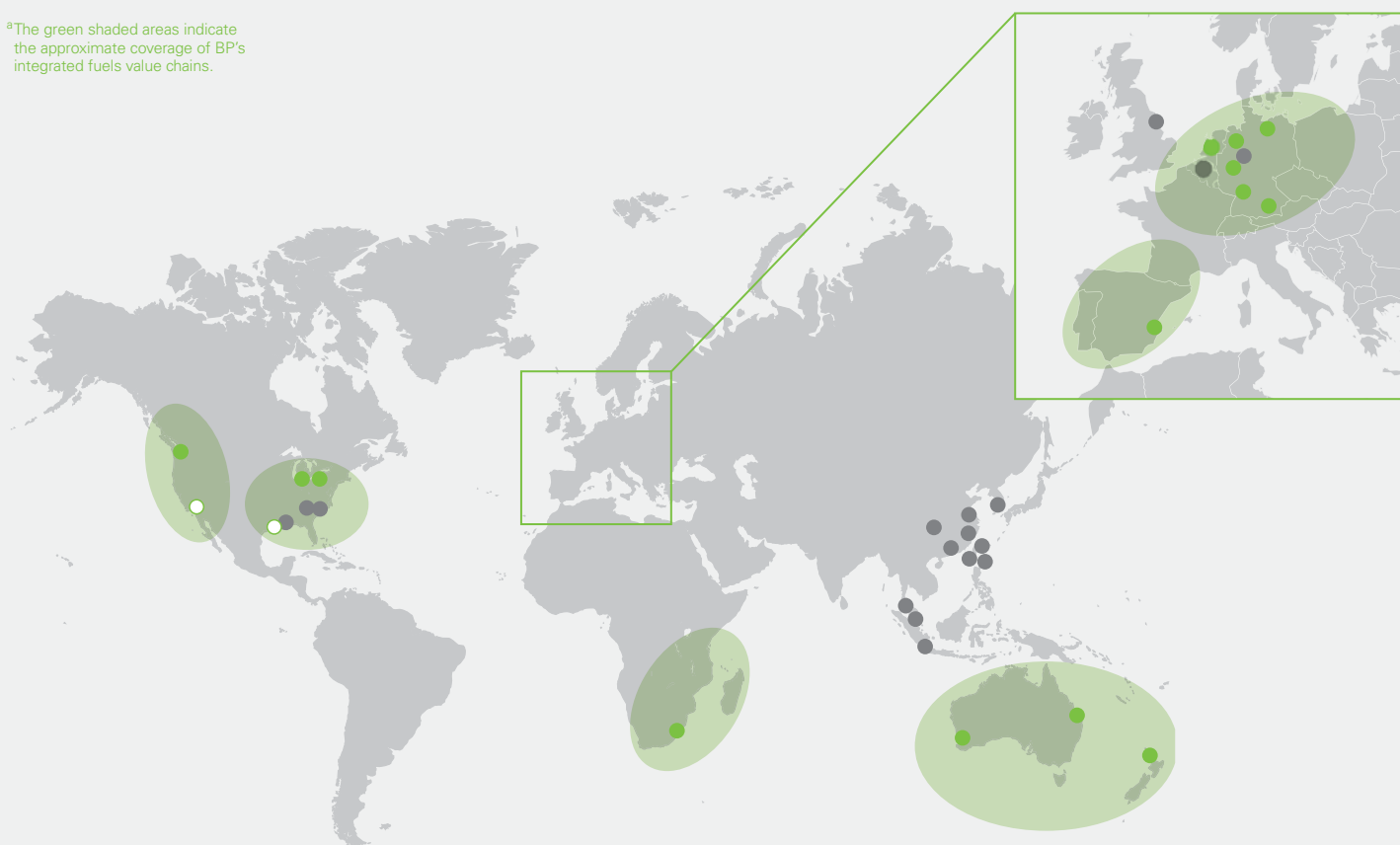
We are in pursuit of competitive returns and enduring growth, as we serve customers and promote BP and our brands through quality products.

We believe that key to our continued success in Refining and Marketing is holding a portfolio of quality, integrated, efficient positions and accessing available market growth in emerging markets.

Refining and Marketing BP's global presence in 2010^a

- BP refinery (wholly or partly owned)
- Petrochemicals site(s) (wholly or partly owned)
- Proposed for disposal by the end of 2012

^aThe green shaded areas indicate the approximate coverage of BP's integrated fuels value chains.



These maps illustrate our Refining and Marketing operations around the world. For more information on our refineries and petrochemicals plants, click on the relevant link. The links will take you to content on www.bp.com that does not form part of *BP Financial and Operating Information 2006-2010*.

Key indicators

	2006 ^c	2007	2008	2009	2010
Result and refining margin					
Replacement cost profit before interest and tax (\$ billion)	5.66	2.62	4.18	0.74	5.56
Refining marker margin ^a (\$/bbl)	15.70	17.24	15.11	9.19	10.02
Refining availability ^b (%)	82.5	82.9	88.8	93.6	95.0

Refining marker margin by region^a

	\$ per barrel				
	2006	2007	2008	2009	2010
US West Coast	23.43	23.93	16.35	13.40	13.09
US Gulf Coast	20.10	20.78	16.97	9.16	10.17
US Midwest	12.17	14.70	8.50	6.02	6.00
North West Europe	12.22	14.43	17.22	8.95	10.36
Mediterranean	11.85	13.04	14.27	7.93	8.82
Singapore	14.05	14.96	16.99	8.51	10.69
BP Average RMM	15.70	17.24	15.11	9.19	10.02

^aThe refining marker margin is the average of regional indicator margins weighted for BP's crude refining capacity in each region. Each regional marker margin is based on product yields and a 'marker' crude oil deemed appropriate for the region. 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.

^bRefining availability represents Solomon Associates' operational availability, which is defined as the percentage of the year that a unit is available for processing after subtracting the annualized time lost due to turnaround activity and all planned mechanical, process and regulatory maintenance downtime.

^cAs reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

Financial statistics

	\$ million				
	2006 ^b	2007	2008	2009	2010
Replacement cost profit (loss) before interest and tax					
US	1,858	(1,232)	(644)	(2,578)	935
Non-US	3,803	3,853	4,820	3,321	4,620
	5,661	2,621	4,176	743	5,555
Operating capital employed					
US	16,527	17,748	15,904	20,114	23,463
Non-US	24,611	30,163	25,295	26,387	24,959
	41,138	47,911	41,199	46,501	48,422
Sales and other operating revenues	232,386	250,221	320,039	213,050	266,751
Property, plant and equipment (net book value)					
US	10,247	9,440	10,608	12,497	14,151
Non-US	12,901	15,030	14,016	14,616	13,996
	23,148	24,470	24,624	27,113	28,147
Capital expenditure and acquisitions					
US	1,339	1,872	4,297	2,625	2,761
Non-US	1,788	3,623	2,337	1,489	1,268
	3,127	5,495	6,634	4,114	4,029
Employee numbers at year end					
Non-service station staff	41,900	42,700	40,300	37,700	37,100
Service station staff ^a	26,100	24,500	21,200	13,900	15,200
	68,000	67,200	61,500	51,600	52,300

^aService station staff are those employed directly by BP at BP-owned retail sites. It excludes staff at BP-branded sites operated by dealers, jobbers and franchisees.

^bAs reported in Annual Report on Form 20-F. There was a \$500 million (\$315 million post tax) timing difference between the profit reported under IFRS in the Annual Report and Accounts and the profit reported under IFRS in BP Annual Report on Form 20-F 2006. For further information see BP Annual Report and Accounts 2006.

Petrochemicals production capacities^{a b}

Geographical area	Site	Product	Group interest %	BP share of capacity thousand tonnes per year
US				
	Cooper River	Purified terephthalic acid (PTA)	100.0	1,342
	Decatur	PTA	100.0	1,043
		Paraxylene (PX)	100.0	1,101
		Naphthalene dicarboxylate	100.0	29
	Texas City	Acetic acid	100.0	583 ^c
		PX	100.0	1,271
		Metaxylene	100.0	123
				5,492
Europe				
UK	Hull	Acetic acid	100.0	532
		Acetic anhydride	100.0	153
		Ethylidene diacetate	100.0	4
Belgium	Geel	PTA	100.0	1,343
		PX	100.0	631
Germany	Gelsenkirchen	Olefins and Derivatives (O&D)	50.0 to 61.0	1,764 ^{b d}
	Mülheim	Solvents	50.0	130 ^b
				4,557
Rest of World				
China	Caojing	O&D	50.0	3,103 ^b
	Chongqing	Acetic acid	51.0	215 ^b
		Esters	51.0	52 ^b
	Nanjing	Acetic acid	50.0	274 ^b
	Zhuhai	PTA	85.0	1,549 ^e
Indonesia	Merak	PTA	50.0	253 ^b
Korea	Ulsan	Acetic acid	51.0	261 ^b
		Vinyl acetate monomer	34.0	56 ^b
Malaysia	Kertih	Acetic acid	70.0	391 ^b
	Kuantan	PTA	100.0	610
Taiwan	Kaohsiung	PTA	61.4	847 ^b
	Taichung	PTA	61.4	471 ^b
	Mai Liao	Acetic acid	50.0	179 ^b
				8,261
Total BP share of capacity at 31 December 2010				18,310

^a Petrochemicals production capacity is the proven maximum sustainable daily rate (msdr) multiplied by the number of days in the respective period, where msdr is the highest average daily rate ever achieved over a sustained period.

^b Includes BP share of equity accounted entities, as indicated.

^c Sterling Chemicals plant, 100% of the output of which is marketed by BP.

^d Group interest varies by product.

^e BP Zhuhai Chemical Company Ltd is a subsidiary of BP, the capacity of which is shown above at 100%.

Petrochemicals production capacities^{a b} continued

Petrochemicals production capacities summary

By geographical area						BP share of capacity thousand tonnes per year
	PTA	PX	Acetic acid	Other	O&D	Total
US	2,385	2,372	583	152	–	5,492
Europe	1,343	631	532	157	1,894	4,557
Rest of World	3,730	–	1,320	108	3,103	8,261
Total BP share of capacity at 31 December 2010	7,458	3,003	2,435	417	4,997	18,310

^aPetrochemicals production capacity is the msdr multiplied by the number of days in the respective period, where msdr is the highest average daily rate ever achieved over a sustained period.

^bIncludes BP share of equity-accounted entities.

Petrochemicals production^a

By geographical area	thousand tonnes				
	2006	2007	2008	2009	2010
US	3,464	4,328	3,487	3,110	4,146
Europe ^b	4,508	3,909	3,574	3,724	4,051
Rest of World	6,454	6,083	5,774	5,826	7,397
	14,426	14,320	12,835	12,660	15,594

^aComprises actual production in respect of the products listed in the capacity table above.

^bA minor amendment has been made to comparative periods.

Refinery throughputs and utilization

Refinery throughputs^a

	thousand barrels per day				
	2006	2007	2008	2009	2010
US	1,110	1,064	1,121	1,238	1,350
Europe	813	758	739	755	775
Rest of World	275	305	295	294	301
	2,198	2,127	2,155	2,287	2,426
Crude distillation capacity at 31 December ^b	2,823	2,769	2,678	2,666	2,667
Refinery capacity utilization ^c	78%	77%	81%	86%	91%

^a Refinery throughputs reflect crude and other feedstock volumes.

^b Crude distillation capacity is gross rated capacity, which is defined as the highest average sustained unit rate for a consecutive 30-day period.

^c Refinery utilization is annual throughput divided by crude distillation capacity, expressed as a percentage. The measure was redefined in 2009 to be more consistent with industry standards.

Crude oil input

					%
	2006	2007	2008	2009	2010
Low sulphur crude	45	41	31	34	34
High sulphur crude	55	59	69	66	66

Refinery yield^a

	thousand barrels per day				
	2006	2007	2008	2009	2010
Aviation fuels	216	231	268	276	290
Gasolines	874	788	757	818	881
Middle distillates	626	607	631	674	723
Fuel oil	136	115	127	123	93
Other products	432	390	414	447	497
	2,284	2,131	2,197	2,338	2,484

^a Refinery yields exceed throughputs because of volumetric expansion.

Refineries

Refinery capacities

		thousand barrels per day																
		Crude distillation capacities ^a										Major upgrading plant capacities ^b						
		Group interest % ^c	Total	BP share	Vacuum distillation	Fluid catalytic cracking	Hydro-cracking	Catalytic reforming	Alkylation and Polymerization	Hydro-treating gasoline and naphtha	Hydro-treating jet, dist and heavier	Visbreaking	Coker	Aromatics and Isomerization	Asphalt	Hydrogen ^d	Other ^e	Nelson Complexity Index ^f
Wholly and partly owned refineries at 31 December 2010																		
US																		
California	Carson ^g	100.0	266	266	140	103	50	53	17	115	136	–	67	31	–	125	–	13.2
Washington	Cherry Point ^g	100.0	234	234	106	–	65	65	–	97	49	–	62	24	–	135	–	10.2
Indiana	Whiting ^g	100.0	405	405	191	165	–	64	25	125	209	–	35	26	30	59	–	9.6
Ohio	Toledo ^g	50.0	160	80	36	28	16	22	6	20	34	–	17	–	5	28	–	10.6
Texas	Texas City ^g	100.0	475	475	237	175	130	138	37	213	243	–	43	95	–	60	–	14.1
			1,540	1,460	710	471	261	342	85	570	671	–	224	176	35	407	–	11.9
Europe																		
Germany	Bayernoil	22.5	215	48	18	11	10	9	–	17	21	3	–	–	–	44	1	8.6
	Gelsenkirchen ^g	50.0	265	132	80	15	29	16	–	36	51	10	17	10	8	105	–	9.4
	Karlsruhe	12.0	324	39	16	10	–	7	2	12	29	–	4	2	–	–	1	9.1
	Lingen ^g	100.0	93	93	43	–	28	32	–	33	45	–	23	25	–	128	–	14.4
	Schwedt	18.8	237	45	29	11	–	7	2	18	35	9	–	5	1	8	1	10.9
Netherlands	Rotterdam ^g	100.0	377	377	87	60	–	30	9	90	272	36	–	–	–	14	3	5.8
Spain	Castellón ^g	100.0	110	110	47	30	–	17	4	56	84	–	20	19	–	86	–	12.2
			1,621	844	320	137	67	118	17	262	537	58	64	61	9	385	6	8.7
Rest of World																		
Australia	Bulwer ^g	100.0	102	102	39	23	20	16	3	20	43	–	–	–	3	35	–	7.3
	Kwinana ^g	100.0	143	143	22	35	–	24	6	49	49	–	–	15	2	–	–	7.4
New Zealand	Whangarei	23.7	118	28	10	–	8	6	–	9	11	–	–	–	1	1	–	6.3
South Africa	Durban	50.0	180	90	38	19	–	17	1	24	43	14	–	5	3	1	8	12.7
			543	363	109	77	28	63	10	102	146	14	–	20	9	37	8	8.6
			3,704	2,667	1,139	685	356	523	112	934	1,354	72	288	257	53	829	14	10.4

^a Crude distillation capacity is gross rated capacity, which is defined as the highest average sustained unit rate for a consecutive 30-day period.

^b These are shown as BP share of capacities; BP has varying interests.

^c BP share of equity, which is not necessarily the same as BP share of processing entitlements.

^d Reported as standard cubic feet per day.

^e Other consists of ethyl, methyl tertiary butyl ether and lubricants units.

^f Nelson Complexity Index is calculated as defined by the *Oil and Gas Journal* survey January 2010. In general, the higher a refinery's Nelson Complexity Index, the greater that refinery's ability to make higher-value products from a given feedstock.

^g Indicates refineries operated by BP.

Regional refining distillation capacity

		thousand barrels per day				
		2006	2007	2008	2009	2010
US Gulf Coast		475	475	475	475	475
US Midwest		560	560	483	485	485
US West Coast		497	500	500	499	500
Total US		1,532	1,535	1,458	1,459	1,460
Europe		922	866	851	851	844
Rest of World		369	368	369	356	363
Total		2,823	2,769	2,678	2,666	2,667

Retail sites^{a b}

	at 31 December				
	2006	2007	2008	2009	2010
US	12,300	12,200	11,700	11,500	11,300
Europe	9,000	8,600	8,600	8,600	8,400
Rest of World	2,600	2,500	2,300	2,300	2,400
	23,900	23,300	22,600	22,400	22,100

^aThe number of retail sites includes sites not operated by BP but instead operated by dealers, jobbers, franchisees or brand licencees that operate under a BP brand. These may move to or from the BP brand as their fuel supply or brand licence agreements expire and are renegotiated in the normal course of business. Retail sites are primarily branded BP, Arco and Aral.

^bExcludes our interest in equity-accounted entities that are dual branded.

Oil sales volumes^a

	thousand barrels per day				
	2006	2007	2008	2009	2010
Refined product marketing sales volumes by region					
US					
Aviation fuels	176	165	178	173	188
Gasolines	1,049	1,052	1,015	1,010	958
Middle distillates	296	260	201	186	228
Fuel oil	31	28	33	30	30
Other products	43	28	33	27	29
	1,595	1,533	1,460	1,426	1,433
Europe					
Aviation fuels	218	223	220	231	264
Gasolines	409	384	337	324	259
Middle distillates	741	711	719	670	627
Fuel oil	196	202	180	158	147
Other products	132	113	110	121	105
	1,696	1,633	1,566	1,504	1,402
Rest of World					
Aviation fuels	94	102	103	91	94
Gasolines	145	136	148	110	109
Middle distillates	133	148	135	156	157
Fuel oil	161	199	247	230	214
Other products	48	55	52	43	36
	581	640	685	630	610
Total marketing sales volumes by product					
Aviation fuels	488	490	501	495	546
Gasolines	1,603	1,572	1,500	1,444	1,326
Middle distillates	1,170	1,119	1,055	1,012	1,012
Fuel oil	388	429	460	418	391
Other products	223	196	195	191	170
	3,872	3,806	3,711	3,560	3,445
Total marketing sales ^b					
Trading/supply sales ^c	1,929	1,818	1,987	2,327	2,482
Total refined product sales	5,801	5,624	5,698	5,887	5,927
Crude oil sales	2,110	1,885	1,689	1,824	1,658
Total oil sales	7,911	7,509	7,387	7,711	7,585

Sales and other operating revenues from marketing sales of refined product

	\$ million				
	2006	2007	2008	2009	2010
US	71,175	76,898	93,764	63,442	80,576
Europe	79,327	87,719	114,522	71,189	88,347
Rest of World	27,493	30,362	40,275	31,457	40,298
	177,995	194,979	248,561	166,088	209,221

^aExcludes sales to other BP businesses and sales of petrochemicals products.

^bMarketing sales are sales of refined products to service stations, end-consumers, bulk buyers and jobbers (i.e. third parties who own networks of a number of service stations and small resellers).

^cTrading/supply sales are sales of refined products to large unbranded resellers and other oil companies.

Other businesses and corporate

 www.bp.com/FOI_2006-10/obc.xls

82 Financial statistics

83 Alternative Energy

Financial statistics

Other businesses and corporate comprises the Alternative Energy business, Shipping, Treasury, the group's aluminium business, Treasury (which includes interest income on the group's cash and cash equivalents), and corporate activities worldwide.

	\$ million				
	2006	2007	2008	2009	2010
Replacement cost profit (loss) before interest and tax					
US	(409)	(960)	(902)	(728)	(731)
Non-US	(432)	(249)	(321)	(1,594)	(785)
	(841)	(1,209)	(1,223)	(2,322)	(1,516)
Operating capital employed					
US	(3,303)	(1,903)	(2,505)	(2,773)	(2,905)
Non-US	4,504	6,785	3,247	4,655	17,285
	1,201	4,882	742	1,882	14,380
Sales and other operating revenues	3,372	3,698	4,634	2,843	3,328
Capital expenditure and acquisitions					
US	598	519	1,390	1,071	977
Non-US	254	420	449	228	257
	852	939	1,839	1,299	1,234
Employee numbers at year end	7,600	9,100	9,100	7,200	6,200

Alternative Energy

Alternative Energy comprises BP's low-carbon businesses and future growth options outside oil and gas, which we believe have the potential to be a material source of low-carbon energy and are aligned with BP's core capabilities. These are biofuels, wind and solar, along with demonstration projects and technology development in carbon capture and storage.

	megawatts				
	2006	2007	2008	2009	2010
Wind capacity ^a					
US	11	100	322	679	742
Non-US	32	72	110	32	32
	43	172	432	711	774
Solar sales ^b	97	115	162	203	325

^aWind capacity is the sum of the rated capacities of the assets/turbines that have entered into commercial operation, including BP's share of equity accounted entities. The equivalent capacities on a gross-joint-venture basis (which includes 100% of the capacity of equity-accounted entities where BP has partial ownership) were 1,362 megawatts (MW) in 2010, 1,237MW in 2009, 785MW in 2008, 373MW in 2007 and 43MW in 2006.

^bSolar sales are the total sales of solar modules to third-party customers, expressed in MW.

Miscellaneous terms

In this document, unless the context otherwise requires, the following terms shall have the meaning set out below.

ADR

American depositary receipt.

ADS

American depositary share.

AGM

Annual general meeting.

Amoco

The former Amoco Corporation and its subsidiaries.

Atlantic Richfield

Atlantic Richfield Company and its subsidiaries.

Associate

An entity, including an unincorporated entity such as a partnership, over which the group has significant influence and that is neither a subsidiary nor a joint venture. Significant influence is the power to part in the financial and operating policy decisions of an entity but is not control or joint control over those policies.

Barrel

42 US gallons.

b/d

barrels per day.

boe

barrels of oil equivalent. 5.8 billion cubic feet of natural gas = 1 million barrels of oil equivalent.

BP, BP group or the group

BP p.l.c. and its subsidiaries.

Burmah Castrol

Burmah Castrol PLC and its subsidiaries.

Cent or c

One-hundredth of the US dollar.

The company

BP p.l.c.

Debt to debt-plus-equity ratio

The ratio of finance debt (borrowings, including the fair value of associated derivative financial instruments that are used to hedge foreign exchange and interest rate risks relating to finance debt, plus obligations under finance leases) to the total of finance debt plus shareholders' interest.

Debt to equity ratio

The ratio of finance debt (borrowings, including the fair value of associated derivative financial instruments that are used to hedge foreign exchange and interest rate risks relating to finance debt, plus obligations under finance leases) to shareholders' interest.

Dividend cover

The dividend cover out of income is calculated as the replacement cost profit for the period, divided by the dividend paid in the period. The dividend cover out of cash is calculated as the net cash provided by operating activities divided by the gross dividends paid. The calculation is based on the assumption that all dividends are paid in cash.

Dividend payout ratio

The ratio of dividend paid for the period to replacement cost profit, expressed as a percentage.

Dollar or \$

The US dollar.

Earnings per share

The profit in cents attributable to each equity share, based on the appropriate consolidated profit of the period after tax and after deducting minority interests and preference dividends, divided by the weighted average number of equity shares in issue during the period.

Effective tax rate

The ratio of the tax charge to the profit after interest expense but before tax.

EU

European Union.

GAAP

Generally accepted accounting practice.

Gas

Natural gas.

Hydrocarbons

Crude oil and natural gas.

IFRS

International Finance Reporting Standards.

Joint control

Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Joint venture

A contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.

Jointly controlled asset

A joint venture where the venturers jointly control, and often have a direct ownership interest in, the assets of the venture. The assets are used to obtain benefits for the venturers. Each venturer may take a share of the output from the assets and each bears an agreed share of the expenses incurred.

Jointly controlled entity

A joint venture that involves the establishment of a corporation, partnership or other entity in which each venturer has an interest. A contractual arrangement between the venturers establishes joint control over the economic activity of the entity.

Liquids

Crude oil, condensate and natural gas liquids.

LNG

Liquefied natural gas.

London Stock Exchange or LSE

London Stock Exchange plc.

LPG

Liquefied petroleum gas.

mb/d

thousand barrels per day.

mboe/d

thousand barrels of oil equivalent per day.

mmBtu

million British thermal units.

mmboe

million barrels of oil equivalent.

mmcf

million cubic feet.

mmcf/d

million cubic feet per day.

MTBE

Methyl tertiary butyl ether.

MW

Megawatt.

Net debt

Net debt equals finance debt, including the fair value of associated derivative financial instruments that are used to hedge foreign exchange and interest rate risks relating to finance debt, for which hedge accounting is claimed, less cash and cash equivalents.

NGLs

Natural gas liquids.

OPEC

Organization of Petroleum Exporting Countries.

Ordinary shares

Ordinary fully paid shares in BP p.l.c. of 25c each.

Pence or p

One-hundredth of a pound sterling.

Pound sterling or £

The pound sterling.

Preference shares

Cumulative First Preference Shares and Cumulative Second Preference Shares in BP p.l.c. of £1 each.

Pre-tax cash returns

The ratio of replacement cost profit before interest and tax and excluding equity-accounted interest and tax, non-operating items and depreciation, depletion and amortization to the average operating capital employed (which excludes goodwill).

PSA

A production-sharing agreement (PSA) is an arrangement through which an oil company bears the risks and costs of exploration, development and production. In return, if exploration is successful, the oil company receives entitlement to variable physical volumes of hydrocarbons, representing recovery of the costs incurred and a stipulated share of the production remaining after such cost recovery.

Return on average capital employed

The ratio of replacement cost profit before interest expense and minority interest but after tax to the average of opening and closing capital employed. Capital employed is BP shareholders' interest plus finance debt and minority interest. Another return on average capital employed measure is presented based on average capital employed after deducting goodwill from the denominator in the calculation and excluding non-operating items from the numerator.

SEC

The United States Securities and Exchange Commission.

Subsidiary

An entity that is controlled by the BP group. Control is the power to govern the financial and operating policies of an entity so as to obtain the benefits from its activities.

Tonne

2,204.6 pounds.

UK

United Kingdom of Great Britain and Northern Ireland.

US

United States of America.



Full glossary of terms

bp.com/investorglossary

More information

Although this publication of financial and operating information is unaudited, much of the information it contains is derived from the BP group's audited accounts.

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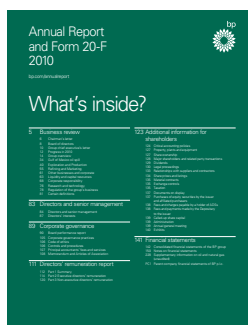
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Reports and publications

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