

Financial and Operating Information 2007-2011

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Cautionary statement

In order to utilize the 'Safe Harbor' provisions of the United States Private Securities Litigation Reform Act of 1995 (the 'PSLRA'), BP is providing the following cautionary statement. *BP Financial and Operating Information 2007-2011* contains certain forward-looking statements within the meaning of the PSLRA 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', 'anticipates', 'plans', 'we see' or similar expressions. In particular, among other statements, certain statements in this document with regard to strategy and strategic priorities, expectations regarding the '10-point plan', the intention to make \$38 billion of disposals, anticipated investment in and expected future value derived from Alternative Energy, the expected level of investment, plans to evolve relationships with other companies including national oil companies, the expected future shift in the balance of participation and capital employed in the downstream business from established to growth regions, the timing for the completion of the Whiting upgrade and the anticipated timing for the completion of the disposition of certain BP assets 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 timing of bringing new fields onstream; the timing of certain disposals; future levels of industry product supply, demand and pricing; OPEC quota restrictions; PSA effects; operational problems; general economic conditions; political stability and economic growth in relevant areas of the world; changes in laws and governmental regulations; regulatory or legal actions including the types of enforcement action pursued and the nature of remedies sought; the actions of prosecutors, regulatory authorities and courts; the actions of all parties to the Deepwater Horizon oil spill-related litigation at various phases of the litigation; exchange rate fluctuations; development and use of new technology; the success or otherwise of partnering; the actions of competitors; the actions of contractors; natural disasters and adverse weather conditions; changes in public expectations and other changes to business conditions; wars and acts of terrorism 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. For more information you should refer to the *BP Annual Report and Form 20-F 2011* filed with the US Securities and Exchange Commission (SEC).

Cautionary statement to US investors

We use certain terms in this report, such as 'resources', that the SEC's rules prohibit us from including in our filings with the SEC. US investors are urged to consider closely the disclosures in the *BP Annual Report and Form 20-F*, SEC File No.1-06262. This form is available on our website at bp.com. You can also obtain this form from the SEC by calling 1-800-SEC-0330 or by logging on to their website at www.sec.gov.

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 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 2011* and *BP Sustainability Report 2011*. Copies may be obtained free of charge (see page 93).



For more information, see bp.com/investors

These icons 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 2007-2011*.

BP is one of the world's leading international oil and gas companies.^a We have two main business segments: Upstream and Downstream. Through these, our activities are focused on finding, developing and producing essential sources of energy, and turning these sources into products that people need. We provide our customers with fuel for transportation, energy for heat and light, lubricants to keep engines moving, and the petrochemicals products used to make everyday items like plastic bottles. We market our products in more than 70 countries. We also invest in renewable energy sources, which we believe will be an increasing source of value for BP. Our activities are focused on biofuels and wind. These are managed through our Alternative Energy business, which is reported in Other businesses and corporate.

As a global group, our interests and activities are held or operated through subsidiaries, branches, joint ventures or associates established in, and subject to the laws and regulations of, many different jurisdictions.

^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.

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.

1969

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

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.

1987

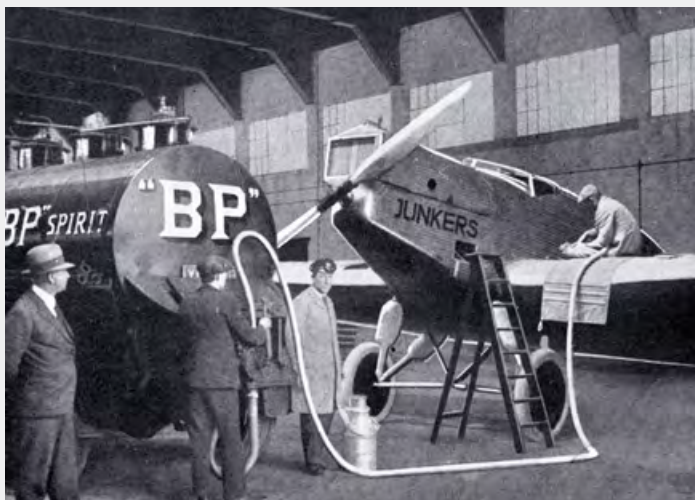
Privatization of BP shares is completed. Following periodic public offerings of a minority of its shareholdings over the previous 65 years, the British government disposes of nearly all the remaining 32% of its shareholding in BP. In December, BP makes an offer to purchase Standard Oil. The deal is completed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

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.



Since the early 20th century, BP has been providing fuels to aviators. Air BP is now one of the world's largest and best-known aviation fuels suppliers.



In 2011, we received local government approval for a 1.25mtpa purified terephthalic acid plant to be added to existing BP petrochemicals facilities in Zhuhai, China.



The first reserves in Western Siberia were discovered in the 1960s. Samotlor, one of the world's five major fields in Western Siberia, was discovered in 1965.

New investment announced in 2011 may extend production at the Clair field in the UK North Sea to 2050.

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 (Alfa, Access and Renova investment groups), 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%.

2008

Thunder Horse, in the Gulf of Mexico, is 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%.

2007

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.

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.

2011

BP sets out its renewed strategy through a 10-point plan focused on building value for shareholders. BP announces 55 new exploration licences granted across nine countries, a return to drilling in the Gulf of Mexico, completion of major transactions in Brazil and with Reliance Industries in India, and a year of very strong earnings in the downstream business. Since 2010, BP has either announced or completed \$21 billion of divestments as part of the \$38-billion divestment programme.

Group information

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Basis of preparation BP prepares its consolidated financial statements included within *BP Financial and Operating Information 2007-2011* 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 2012*, which do not differ significantly from those used in the *BP Annual Report and Form 20-F 2011*.

Financial performance

Highlights

	2007	2008	2009	2010	2011
Underlying replacement cost profit for the year (\$ million) ^a	18,941	26,243	14,577	20,522	21,658
per ordinary share (cents)	98.83	139.66	77.81	109.23	114.55
per American depositary share (dollars) ^b	5.93	8.38	4.67	6.55	6.87
Non-operating items and fair value accounting effects, net of tax (\$ million) ^a	(571)	(650)	(622)	(25,436)	2,242
Replacement cost profit (loss) for the year (\$ million) ^a	18,370	25,593	13,955	(4,914)	23,900
per ordinary share (cents)	95.85	136.20	74.49	(26.17)	126.41
per American depositary share (dollars) ^b	5.75	8.17	4.47	(1.57)	7.58

^aReplacement cost (RC) profit or loss reflects the replacement cost of supplies. RC profit or loss for the group is a non-GAAP measure. Underlying RC profit is RC profit after adjusting for non-operating items and fair value accounting effects. Underlying RC profit and fair value accounting effects are not recognized GAAP measures. For further information see page 7.

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

External environment

	2007	2008	2009	2010	2011
BP average liquids realizations (\$ per barrel (\$/bbl)) ^{a, b}	67.45	90.20	56.26	73.41	101.29
BP average natural gas realizations (\$ per thousand cubic feet (\$/mcf)) ^b	4.53	6.00	3.25	3.97	4.69
Refining marker margin (\$/bbl) ^c	17.24	15.11	9.19	10.02	11.64

^aCrude oil and natural gas liquids (NGLs).

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

^cThe refining marker margin (RMM) 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
	2007	2008	2009	2010	2011
Sales and other operating revenues	284,365	361,143	239,272	297,107	375,517
Earnings from jointly controlled entities – after interest and tax	3,135	3,023	1,286	1,175	1,304
Earnings from associates – after interest and tax	697	798	2,615	3,582	4,916
Interest and other income	754	736	792	681	596
Gains on sale of businesses and fixed assets	2,487	1,353	2,173	6,383	4,130
Total revenues and other income	291,438	367,053	246,138	308,928	386,463
Purchases	(200,766)	(266,982)	(163,772)	(216,211)	(285,618)
Production and manufacturing expenses ^a	(24,225)	(26,756)	(23,202)	(64,615)	(24,145)
Production and similar taxes	(5,703)	(8,953)	(3,752)	(5,244)	(8,280)
Depreciation, depletion and amortization	(10,579)	(10,985)	(12,106)	(11,164)	(11,135)
Impairment and losses on sale of businesses and fixed assets	(1,679)	(1,733)	(2,333)	(1,689)	(2,058)
Exploration expense	(756)	(882)	(1,116)	(843)	(1,520)
Distribution and administration expenses	(15,371)	(15,412)	(14,038)	(12,555)	(13,958)
Fair value gain (loss) on embedded derivatives	(7)	(111)	607	(309)	68
Profit (loss) before interest and taxation	32,352	35,239	26,426	(3,702)	39,817
Finance costs ^a	(1,393)	(1,547)	(1,110)	(1,170)	(1,246)
Net finance income (expense) relating to pensions and other post-retirement benefits	652	591	(192)	47	263
Profit (loss) before taxation	31,611	34,283	25,124	(4,825)	38,834
Taxation ^a	(10,442)	(12,617)	(8,365)	1,501	(12,737)
Profit (loss) for the year	21,169	21,666	16,759	(3,324)	26,097
Attributable to					
BP shareholders	20,845	21,157	16,578	(3,719)	25,700
Minority interest	324	509	181	395	397
	21,169	21,666	16,759	(3,324)	26,097
Earnings per share – cents					
Profit (loss) for the year attributable to BP shareholders					
Basic	108.76	112.59	88.49	(19.81)	135.93
Diluted	107.84	111.56	87.54	(19.81)	134.29
Replacement cost results^{b,c,d}					
Profit (loss) for the year	20,845	21,157	16,578	(3,719)	25,700
Inventory holding (gains) losses, net of tax	(2,475)	4,436	(2,623)	(1,195)	(1,800)
Replacement cost profit (loss) for the year	18,370	25,593	13,955	(4,914)	23,900
Non-operating items and fair value accounting effects, net of tax	571	650	622	25,436	(2,242)
Underlying replacement cost profit for the year	18,941	26,243	14,577	20,522	21,658
Research and development expenditure amounted to	566	595	587	780	636

^aSee page 20 for information on the impact of the Gulf of Mexico oil spill on the income statement line items in 2011 and 2010.

^bReplacement cost (RC) profit or loss reflects the replacement cost of supplies and is arrived at by excluding from profit or loss inventory holding gains and losses and their associated tax effect. RC profit or loss is the measure of profit or loss for each operating segment that is required to be disclosed under International Financial Reporting Standards (IFRS). RC 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.

^cProfit (loss) attributable to BP shareholders.

^dUnderlying RC profit or loss is RC profit or loss after adjusting for non-operating items and fair value accounting effects. Underlying RC profit or loss and fair value accounting effects are not recognized GAAP measures. On pages 14-19, we provide additional information on the non-operating items and fair value accounting effects that are used to arrive at underlying RC profit or loss in order to enable a full understanding of the events and their financial impact. BP believes that underlying RC profit or loss is a useful measure for investors because it is a measure closely tracked by management to evaluate BP's operating performance and to make financial, strategic and operating decisions and because it may help investors to understand and evaluate, in the same manner as management, the underlying trends in BP's operational performance on a comparable basis, period on period, by adjusting for the effects of these non-operating items and fair value accounting effects.

Analysis of underlying replacement cost (RC) profit and RC profit before interest and tax and reconciliation to profit for the period

	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3	Q4	2008
Underlying replacement cost profit (loss) before interest and tax ^a										
Upstream	5,357	6,129	5,661	7,645	24,792	9,963	11,769	10,645	4,941	37,318
Downstream	1,572	1,638	808	(88)	3,930	539	799	1,336	644	3,318
TNK-BP ^b	161	686	672	752	2,271	744	1,351	849	(682)	2,262
Other businesses and corporate	(132)	(165)	(310)	(340)	(947)	(132)	(191)	112	(379)	(590)
Gulf of Mexico oil spill response	—	—	—	—	—	—	—	—	—	—
Consolidation adjustment	42	(98)	103	(267)	(220)	(784)	(221)	838	633	466
Underlying replacement cost profit before interest and tax	7,000	8,190	6,934	7,702	29,826	10,330	13,507	13,780	5,157	42,774
Finance costs and net finance income (expense) relating to pensions and other post-retirement benefits	(171)	(155)	(173)	(242)	(741)	(246)	(221)	(238)	(251)	(956)
Underlying replacement cost profit before taxation	6,829	8,035	6,761	7,460	29,085	10,084	13,286	13,542	4,906	41,818
Taxation on an underlying replacement cost basis	(2,339)	(2,455)	(2,198)	(2,828)	(9,820)	(3,731)	(4,653)	(4,523)	(2,159)	(15,066)
Underlying replacement cost profit for the period	4,490	5,580	4,563	4,632	19,265	6,353	8,633	9,019	2,747	26,752
Attributable to										
BP shareholders	4,408	5,515	4,491	4,527	18,941	6,235	8,521	8,882	2,605	26,243
Minority interest	82	65	72	105	324	118	112	137	142	509
Underlying replacement cost profit for the period	4,490	5,580	4,563	4,632	19,265	6,353	8,633	9,019	2,747	26,752
Earnings on underlying replacement cost profit										
per ordinary share – cents	22.74	28.71	23.58	23.80	98.83	33.03	45.25	47.35	14.03	139.66
per ADS – dollars	1.36	1.72	1.41	1.43	5.93	1.98	2.72	2.84	0.84	8.38
Non-operating items and fair value accounting effects ^c										
Upstream	788	304	(26)	(527)	539	(635)	(2,349)	1,215	497	(1,272)
Downstream	(768)	1,104	(437)	(1,208)	(1,309)	710	(260)	636	(228)	858
TNK-BP	—	—	—	—	—	—	—	—	—	—
Other businesses and corporate	34	(8)	(201)	(87)	(262)	(81)	(123)	(128)	(301)	(633)
Gulf of Mexico oil spill response	—	—	—	—	—	—	—	—	—	—
Total before interest and taxation	54	1,400	(664)	(1,822)	(1,032)	(6)	(2,732)	1,723	(32)	(1,047)
Finance costs ^d	—	—	—	—	—	—	—	—	—	—
Total before taxation	54	1,400	(664)	(1,822)	(1,032)	(6)	(2,732)	1,723	(32)	(1,047)
Taxation credit (charge) ^e	(18)	(427)	216	690	461	2	957	(576)	14	397
Non-operating items and fair value accounting effects	36	973	(448)	(1,132)	(571)	(4)	(1,775)	1,147	(18)	(650)
Replacement cost profit (loss) before interest and tax ^a										
Upstream	6,145	6,433	5,635	7,118	25,331	9,328	9,420	11,860	5,438	36,046
Downstream	804	2,742	371	(1,296)	2,621	1,249	539	1,972	416	4,176
TNK-BP ^b	161	686	672	752	2,271	744	1,351	849	(682)	2,262
Other businesses and corporate	(98)	(173)	(511)	(427)	(1,209)	(213)	(314)	(16)	(680)	(1,223)
Gulf of Mexico oil spill response	—	—	—	—	—	—	—	—	—	—
Consolidation adjustment	42	(98)	103	(267)	(220)	(784)	(221)	838	633	466
Replacement cost profit (loss) before interest and tax	7,054	9,590	6,270	5,880	28,794	10,324	10,775	15,503	5,125	41,727
Finance costs and net finance income (expense) relating to pensions and other post-retirement benefits	(171)	(155)	(173)	(242)	(741)	(246)	(221)	(238)	(251)	(956)
Replacement cost profit (loss) before taxation	6,883	9,435	6,097	5,638	28,053	10,078	10,554	15,265	4,874	40,771
Taxation on a replacement cost basis	(2,357)	(2,882)	(1,982)	(2,138)	(9,359)	(3,729)	(3,696)	(5,099)	(2,145)	(14,669)
Replacement cost profit (loss) for the period	4,526	6,553	4,115	3,500	18,694	6,349	6,858	10,166	2,729	26,102
Attributable to										
BP shareholders	4,444	6,488	4,043	3,395	18,370	6,231	6,746	10,029	2,587	25,593
Minority interest	82	65	72	105	324	118	112	137	142	509
Replacement cost profit (loss) for the period	4,526	6,553	4,115	3,500	18,694	6,349	6,858	10,166	2,729	26,102
Earnings on replacement cost profit (loss)										
per ordinary share – cents	22.93	33.75	21.27	17.90	95.85	33.01	35.83	53.43	13.93	136.20
per ADS – dollars	1.38	2.03	1.28	1.07	5.75	1.98	2.15	3.21	0.84	8.17
Replacement cost profit (loss) for the period	4,526	6,553	4,115	3,500	18,694	6,349	6,858	10,166	2,729	26,102
Inventory holding gains (losses), net of tax	220	888	363	1,004	2,475	863	2,612	(1,980)	(5,931)	(4,436)
Profit (loss) for the period	4,746	7,441	4,478	4,504	21,169	7,212	9,470	8,186	(3,202)	21,666
Earnings on profit (loss)										
per ordinary share – cents										
Basic	24.06	38.37	23.18	23.15	108.76	37.58	49.70	42.93	(17.62)	112.59
Diluted	23.94	38.18	23.07	22.65	107.84	37.25	49.23	42.56	(17.62)	111.56
per ADS – dollars										
Basic	1.44	2.30	1.39	1.39	6.52	2.25	2.98	2.58	(1.06)	6.75
Diluted	1.44	2.29	1.38	1.36	6.47	2.24	2.95	2.55	(1.06)	6.69

^a Replacement cost (RC) profit or loss reflects the replacement cost of supplies. RC profit or loss for the group is a non-GAAP measure. Underlying RC profit is RC profit after adjusting for

^b non-operating items and fair value accounting effects. Underlying RC profit and fair value accounting effects are non-GAAP measures. See page 7 for more information.

^c Net of finance costs, taxation and minority interest.

^d Information on fair value accounting effects is non-GAAP.

^e Finance costs relate to the Gulf of Mexico oil spill.

^f Taxation is calculated using the quarter's effective tax rate (excluding the impact of the Gulf of Mexico oil spill and, for the first quarter 2011, the impact of a \$683-million one-off deferred tax adjustment in respect of an increase in the supplementary charge on UK oil and gas production) on group profit or loss. However, the US statutory tax rate has been used for recoveries relating to the Gulf of Mexico oil spill and expenditures that qualify for tax relief. For the fourth quarter and full year in 2009, no tax credit was calculated on the goodwill impairment in Downstream because the charge is not tax deductible.

Analysis of underlying replacement cost (RC) profit and RC profit before interest and tax and reconciliation to profit for the period continued

														\$ million
Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	Q4	2011
3,717	3,858	5,546	6,547	19,668	7,645	5,815	5,811	5,802	25,073	6,684	6,330	6,287	5,924	25,225
1,549	972	1,071	15	3,607	789	1,724	1,626	744	4,883	2,196	1,392	1,666	759	6,013
134	546	732	536	1,948	543	490	730	854	2,617	1,127	1,081	939	987	4,134
(440)	(544)	(522)	(327)	(1,833)	(210)	(141)	(482)	(483)	(1,316)	(297)	(335)	(406)	(618)	(1,656)
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(405)	76	104	(492)	(717)	208	98	85	56	447	(542)	515	(213)	127	(113)
4,555	4,908	6,931	6,279	22,673	8,975	7,986	7,770	6,973	31,704	9,168	8,983	8,273	7,179	33,603
(368)	(321)	(311)	(302)	(1,302)	(228)	(214)	(288)	(316)	(1,046)	(223)	(234)	(220)	(248)	(925)
4,187	4,587	6,620	5,977	21,371	8,747	7,772	7,482	6,657	30,658	8,945	8,749	8,053	6,931	32,678
(1,571)	(1,605)	(1,927)	(1,510)	(6,613)	(2,991)	(2,690)	(1,863)	(2,197)	(9,741)	(3,380)	(2,974)	(2,413)	(1,856)	(10,623)
2,616	2,982	4,693	4,467	14,758	5,756	5,082	5,619	4,460	20,917	5,565	5,775	5,640	5,075	22,055
2,581	2,938	4,674	4,384	14,577	5,647	4,980	5,531	4,364	20,522	5,504	5,705	5,463	4,986	21,658
35	44	19	83	181	109	102	88	96	395	61	70	177	89	397
2,616	2,982	4,693	4,467	14,758	5,756	5,082	5,619	4,460	20,917	5,565	5,775	5,640	5,075	22,055
13.79	15.68	24.95	23.38	77.81	30.09	26.50	29.44	23.22	109.23	29.25	30.20	28.83	26.28	114.55
0.83	0.94	1.50	1.40	4.67	1.81	1.59	1.77	1.39	6.55	1.76	1.81	1.73	1.58	6.87
469	642	651	1,422	3,184	104	(61)	1,809	1,344	3,196	739	(699)	461	640	1,141
(459)	(292)	(155)	(1,958)	(2,864)	(60)	351	161	220	672	(117)	(54)	(173)	(195)	(539)
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(321)	(39)	(64)	(65)	(489)	(118)	71	(86)	(67)	(200)	(181)	(263)	76	(454)	(822)
—	—	—	—	—	—	(32,192)	(7,656)	(1,010)	(40,858)	(384)	617	(541)	4,108	3,800
(311)	311	432	(601)	(169)	(74)	(31,831)	(5,772)	487	(37,190)	57	(399)	(177)	4,099	3,580
—	—	—	—	—	—	—	(47)	(30)	(77)	(16)	(15)	(14)	(13)	(58)
(311)	311	432	(601)	(169)	(74)	(31,831)	(5,819)	457	(37,267)	41	(414)	(191)	4,086	3,522
117	(109)	(125)	(336)	(453)	25	9,878	2,135	(207)	11,831	66	116	4	(1,466)	(1,280)
(194)	202	307	(937)	(622)	(49)	(21,953)	(3,684)	250	(25,436)	107	(298)	(187)	2,620	2,242
4,186	4,500	6,197	7,969	22,852	7,749	5,754	7,620	7,146	28,269	7,423	5,631	6,748	6,564	26,366
1,090	680	916	(1,943)	743	729	2,075	1,787	964	5,555	2,079	1,338	1,493	564	5,474
134	546	732	536	1,948	543	490	730	854	2,617	1,127	1,081	939	987	4,134
(761)	(583)	(586)	(392)	(2,322)	(328)	(70)	(568)	(550)	(1,516)	(478)	(598)	(330)	(1,072)	(2,478)
—	—	—	—	—	—	(32,192)	(7,656)	(1,010)	(40,858)	(384)	617	(541)	4,108	3,800
(405)	76	104	(492)	(717)	208	98	85	56	447	(542)	515	(213)	127	(113)
4,244	5,219	7,363	5,678	22,504	8,901	(23,845)	1,998	7,460	(5,486)	9,225	8,584	8,096	11,278	37,183
(368)	(321)	(311)	(302)	(1,302)	(228)	(214)	(335)	(346)	(1,123)	(239)	(249)	(234)	(261)	(983)
3,876	4,898	7,052	5,376	21,202	8,673	(24,059)	1,663	7,114	(6,609)	8,986	8,335	7,862	11,017	36,200
(1,454)	(1,714)	(2,052)	(1,846)	(7,066)	(2,966)	7,188	272	(2,404)	2,090	(3,314)	(2,858)	(2,409)	(3,322)	(11,903)
2,422	3,184	5,000	3,530	14,136	5,707	(16,871)	1,935	4,710	(4,519)	5,672	5,477	5,453	7,695	24,297
2,387	3,140	4,981	3,447	13,955	5,598	(16,973)	1,847	4,614	(4,914)	5,611	5,407	5,276	7,606	23,900
35	44	19	83	181	109	102	88	96	395	61	70	177	89	397
2,422	3,184	5,000	3,530	14,136	5,707	(16,871)	1,935	4,710	(4,519)	5,672	5,477	5,453	7,695	24,297
12.75	16.76	26.59	18.38	74.49	29.82	(90.35)	9.83	24.55	(26.17)	29.82	28.62	27.85	40.10	126.41
0.77	1.01	1.60	1.10	4.47	1.79	(5.42)	0.59	1.47	(1.57)	1.79	1.72	1.67	2.41	7.58
2,422	3,184	5,000	3,530	14,136	5,707	(16,871)	1,935	4,710	(4,519)	5,672	5,477	5,453	7,695	24,297
175	1,245	355	848	2,623	481	(177)	(62)	953	1,195	1,643	311	(233)	79	1,800
2,597	4,429	5,355	4,378	16,759	6,188	(17,048)	1,873	5,663	(3,324)	7,315	5,788	5,220	7,774	26,097
13.69	23.41	28.48	22.90	88.49	32.39	(91.29)	9.50	29.62	(19.81)	38.55	30.27	26.62	40.51	135.93
13.54	23.16	28.18	22.64	87.54	31.99	(91.29)	9.38	29.28	(19.81)	38.10	29.90	26.28	39.99	134.29
0.82	1.40	1.71	1.37	5.31	1.94	(5.48)	0.57	1.78	(1.19)	2.31	1.82	1.60	2.43	8.16
0.81	1.39	1.69	1.36	5.25	1.92	(5.48)	0.56	1.76	(1.19)	2.29	1.79	1.58	2.40	8.06

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

	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3	Q4	2008
By business										
Upstream										
US	1,731	2,183	1,775	2,240	7,929	3,085	3,601	3,739	1,299	11,724
Non-US	4,414	4,250	3,860	4,878	17,402	6,243	5,819	8,121	4,139	24,322
	6,145	6,433	5,635	7,118	25,331	9,328	9,420	11,860	5,438	36,046
Downstream										
US	129	966	(522)	(1,805)	(1,232)	154	(401)	338	(735)	(644)
Non-US	675	1,776	893	509	3,853	1,095	940	1,634	1,151	4,820
	804	2,742	371	(1,296)	2,621	1,249	539	1,972	416	4,176
TNK-BP										
US	–	–	–	–	–	–	–	–	–	–
Non-US	161	686	672	752	2,271	744	1,351	849	(682)	2,262
	161	686	672	752	2,271	744	1,351	849	(682)	2,262
Other businesses and corporate										
US	(133)	(128)	(363)	(336)	(960)	(152)	(185)	(288)	(277)	(902)
Non-US	35	(45)	(148)	(91)	(249)	(61)	(129)	272	(403)	(321)
	(98)	(173)	(511)	(427)	(1,209)	(213)	(314)	(16)	(680)	(1,223)
Gulf of Mexico oil spill response	7,012	9,688	6,167	6,147	29,014	11,108	10,996	14,665	4,492	41,261
Consolidation adjustment	–	–	–	–	–	–	–	–	–	–
	42	(98)	103	(267)	(220)	(784)	(221)	838	633	466
Total for period	7,054	9,590	6,270	5,880	28,794	10,324	10,775	15,503	5,125	41,727
By geographical area										
US	1,756	2,933	983	(91)	5,581	2,621	3,267	4,419	371	10,678
Non-US	5,298	6,657	5,287	5,971	23,213	7,703	7,508	11,084	4,754	31,049
Total for period	7,054	9,590	6,270	5,880	28,794	10,324	10,775	15,503	5,125	41,727

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

\$ million														
Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	Q4	2011
1,143	1,161	1,864	2,517	6,685	2,762	1,798	3,602	1,522	9,684	1,875	731	1,432	2,158	6,196
3,043	3,339	4,333	5,452	16,167	4,987	3,956	4,018	5,624	18,585	5,548	4,900	5,316	4,406	20,170
4,186	4,500	6,197	7,969	22,852	7,749	5,754	7,620	7,146	28,269	7,423	5,631	6,748	6,564	26,366
308	(326)	(229)	(2,331)	(2,578)	(63)	757	220	21	935	640	(17)	761	31	1,415
782	1,006	1,145	388	3,321	792	1,318	1,567	943	4,620	1,439	1,355	732	533	4,059
1,090	680	916	(1,943)	743	729	2,075	1,787	964	5,555	2,079	1,338	1,493	564	5,474
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
134	546	732	536	1,948	543	490	730	854	2,617	1,127	1,081	939	987	4,134
134	546	732	536	1,948	543	490	730	854	2,617	1,127	1,081	939	987	4,134
(279)	(129)	(179)	(141)	(728)	(231)	(119)	(156)	(225)	(731)	(188)	(168)	(294)	(580)	(1,230)
(482)	(454)	(407)	(251)	(1,594)	(97)	49	(412)	(325)	(785)	(290)	(430)	(36)	(492)	(1,248)
(761)	(583)	(586)	(392)	(2,322)	(328)	(70)	(568)	(550)	(1,516)	(478)	(598)	(330)	(1,072)	(2,478)
4,649	5,143	7,259	6,170	23,221	8,693	8,249	9,569	8,414	34,925	10,151	7,452	8,850	7,043	33,496
–	–	–	–	–	–	(32,192)	(7,656)	(1,010)	(40,858)	(384)	617	(541)	4,108	3,800
(405)	76	104	(492)	(717)	208	98	85	56	447	(542)	515	(213)	127	(113)
4,244	5,219	7,363	5,678	22,504	8,901	(23,845)	1,998	7,460	(5,486)	9,225	8,584	8,096	11,278	37,183
854	730	1,516	(294)	2,806	2,590	(29,171)	(3,891)	385	(30,087)	1,813	1,361	1,141	5,887	10,202
3,390	4,489	5,847	5,972	19,698	6,311	5,326	5,889	7,075	24,601	7,412	7,223	6,955	5,391	26,981
4,244	5,219	7,363	5,678	22,504	8,901	(23,845)	1,998	7,460	(5,486)	9,225	8,584	8,096	11,278	37,183

Underlying replacement cost profit before interest and tax by business and geographical area

	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3	Q4	2008
By business										
Upstream										
US	1,744	2,076	1,809	2,008	7,637	3,235	3,845	3,600	1,606	12,286
Non-US	3,613	4,053	3,852	5,637	17,155	6,728	7,924	7,045	3,335	25,032
	5,357	6,129	5,661	7,645	24,792	9,963	11,769	10,645	4,941	37,318
Downstream										
US	352	622	(64)	(796)	114	(715)	(438)	151	(687)	(1,689)
Non-US	1,220	1,016	872	708	3,816	1,254	1,237	1,185	1,331	5,007
	1,572	1,638	808	(88)	3,930	539	799	1,336	644	3,318
TNK-BP										
US	–	–	–	–	–	–	–	–	–	–
Non-US	161	686	672	752	2,271	744	1,351	849	(682)	2,262
	161	686	672	752	2,271	744	1,351	849	(682)	2,262
Other businesses and corporate										
US	(139)	(135)	(168)	(279)	(721)	(103)	(152)	(183)	(162)	(600)
Non-US	7	(30)	(142)	(61)	(226)	(29)	(39)	295	(217)	10
	(132)	(165)	(310)	(340)	(947)	(132)	(191)	112	(379)	(590)
	6,958	8,288	6,831	7,969	30,046	11,114	13,728	12,942	4,524	42,308
Gulf of Mexico oil spill response	–	–	–	–	–	–	–	–	–	–
Consolidation adjustment	42	(98)	103	(267)	(220)	(784)	(221)	838	633	466
Total for period	7,000	8,190	6,934	7,702	29,826	10,330	13,507	13,780	5,157	42,774
By geographical area										
US	1,986	2,475	1,670	743	6,874	1,951	3,507	4,198	841	10,497
Non-US	5,014	5,715	5,264	6,959	22,952	8,379	10,000	9,582	4,316	32,277
Total for period	7,000	8,190	6,934	7,702	29,826	10,330	13,507	13,780	5,157	42,774

Underlying replacement cost profit before interest and tax by business and geographical area continued

\$ million														
Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	Q4	2011
864	951	1,760	2,278	5,853	2,743	1,989	1,835	1,786	8,353	1,846	1,479	1,473	1,310	6,108
2,853	2,907	3,786	4,269	13,815	4,902	3,826	3,976	4,016	16,720	4,838	4,851	4,814	4,614	19,117
3,717	3,858	5,546	6,547	19,668	7,645	5,815	5,811	5,802	25,073	6,684	6,330	6,287	5,924	25,225
377	(253)	(56)	(625)	(557)	(76)	569	65	6	564	704	151	927	195	1,977
1,172	1,225	1,127	640	4,164	865	1,155	1,561	738	4,319	1,492	1,241	739	564	4,036
1,549	972	1,071	15	3,607	789	1,724	1,626	744	4,883	2,196	1,392	1,666	759	6,013
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
134	546	732	536	1,948	543	490	730	854	2,617	1,127	1,081	939	987	4,134
134	546	732	536	1,948	543	490	730	854	2,617	1,127	1,081	939	987	4,134
(163)	(96)	(150)	(155)	(564)	(125)	(112)	(85)	(171)	(493)	(189)	(156)	(182)	(270)	(797)
(277)	(448)	(372)	(172)	(1,269)	(85)	(29)	(397)	(312)	(823)	(108)	(179)	(224)	(348)	(859)
(440)	(544)	(522)	(327)	(1,833)	(210)	(141)	(482)	(483)	(1,316)	(297)	(335)	(406)	(618)	(1,656)
4,960	4,832	6,827	6,771	23,390	8,767	7,888	7,685	6,917	31,257	9,710	8,468	8,486	7,052	33,716
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(405)	76	104	(492)	(717)	208	98	85	56	447	(542)	515	(213)	127	(113)
4,555	4,908	6,931	6,279	22,673	8,975	7,986	7,770	6,973	31,704	9,168	8,983	8,273	7,179	33,603
760	626	1,614	1,159	4,159	2,664	3,031	1,914	1,698	9,307	2,231	1,672	2,001	1,405	7,309
3,795	4,282	5,317	5,120	18,514	6,311	4,955	5,856	5,275	22,397	6,937	7,311	6,272	5,774	26,294
4,555	4,908	6,931	6,279	22,673	8,975	7,986	7,770	6,973	31,704	9,168	8,983	8,273	7,179	33,603

Non-operating items^a by business

	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3	Q4	2008
Upstream										
Impairment and gain (loss) on sale of businesses and fixed assets	605	102	1	149	857	21	111	33	(1,180)	(1,015)
Environmental and other provisions	–	–	(12)	–	(12)	–	(5)	(7)	–	(12)
Restructuring, integration and rationalization costs	–	–	–	(186)	(186)	(44)	–	(6)	(7)	(57)
Fair value gain (loss) on embedded derivatives	152	276	21	(449)	–	(684)	(2,082)	1,098	1,505	(163)
Other	–	–	–	(168)	(168)	331	–	–	(74)	257
	757	378	10	(654)	491	(376)	(1,976)	1,118	244	(990)
Downstream										
Impairment and gain (loss) on sale of businesses and fixed assets ^b	(179)	767	105	(728)	(35)	814	(13)	114	(114)	801
Environmental and other provisions	–	–	(138)	–	(138)	–	–	(62)	(2)	(64)
Restructuring, integration and rationalization costs	–	–	–	(118)	(118)	(205)	(86)	(52)	(104)	(447)
Fair value gain (loss) on embedded derivatives	–	–	–	–	–	–	–	–	57	57
Other	(50)	–	(311)	(300)	(661)	–	–	–	–	–
	(229)	767	(344)	(1,146)	(952)	609	(99)	–	(163)	347
Other businesses and corporate										
Impairment and gain (loss) on sale of businesses and fixed assets	31	(15)	(7)	(23)	(14)	50	(42)	(8)	(166)	(166)
Environmental and other provisions	–	–	(35)	–	(35)	–	–	(76)	(41)	(117)
Restructuring, integration and rationalization costs	–	–	–	(34)	(34)	(58)	(75)	(30)	(91)	(254)
Fair value gain (loss) on embedded derivatives	3	7	(7)	(10)	(7)	(6)	1	–	–	(5)
Other	–	–	(152)	(20)	(172)	(67)	(7)	(14)	(3)	(91)
	34	(8)	(201)	(87)	(262)	(81)	(123)	(128)	(301)	(633)
Gulf of Mexico oil spill response	–	–	–	–	–	–	–	–	–	–
Total before interest and taxation	562	1,137	(535)	(1,887)	(723)	152	(2,198)	990	(220)	(1,276)
Finance costs ^c	–	–	–	–	–	–	–	–	–	–
Total before taxation	562	1,137	(535)	(1,887)	(723)	152	(2,198)	990	(220)	(1,276)
Taxation credit (charge) ^d	(192)	(347)	174	715	350	(56)	770	(331)	97	480
Total after taxation	370	790	(361)	(1,172)	(373)	96	(1,428)	659	(123)	(796)

^a Non-operating items are charges and credits that BP discloses separately because it considers such disclosures to be meaningful and relevant to investors. These disclosures are provided in order to enable investors better to understand and evaluate the group's financial performance.

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

^c Finance costs relate to the Gulf of Mexico oil spill. For more information see page 20.

^d Taxation is calculated using the quarter's effective tax rate (excluding the impact of the Gulf of Mexico oil spill and, for the first quarter 2011, the impact of a \$683-million one-off deferred tax adjustment in respect of an increase in the supplementary charge on UK oil and gas production) on group profit or loss. However, the US statutory tax rate has been used for recoveries relating to the Gulf of Mexico oil spill and expenditures that qualify for tax relief. For the fourth quarter and full year in 2009, no tax credit was calculated on the goodwill impairment in Downstream because the charge is not tax deductible.

Non-operating items by business continued

\$ million														
Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	Q4	2011
73	359	72	1,070	1,574	(13)	660	1,735	1,430	3,812	1,089	(403)	321	1,124	2,131
–	–	3	–	3	–	–	(54)	–	(54)	–	–	(25)	(2)	(27)
(1)	(6)	1	(4)	(10)	(104)	(13)	(6)	(14)	(137)	–	–	1	(1)	–
243	154	370	(103)	664	146	(452)	20	(23)	(309)	(328)	142	211	166	191
(4)	–	25	13	34	12	(134)	46	(37)	(113)	(51)	(403)	(8)	(703)	(1,165)
311	507	471	976	2,265	41	61	1,741	1,356	3,199	710	(664)	500	584	1,130
(21)	(52)	(13)	(1,518)	(1,604)	(45)	270	507	145	877	5	(209)	(16)	(114)	(334)
–	–	(190)	(29)	(219)	–	–	(83)	(15)	(98)	–	(1)	(193)	(25)	(219)
(263)	(114)	(38)	(492)	(907)	12	(30)	(32)	(47)	(97)	(1)	(4)	(12)	13	(4)
(57)	–	–	–	(57)	–	–	–	–	–	–	–	–	–	–
(9)	–	–	193	184	(37)	(8)	(10)	3	(52)	(21)	(4)	(6)	(14)	(45)
(350)	(166)	(241)	(1,846)	(2,603)	(70)	232	382	86	630	(17)	(218)	(227)	(140)	(602)
(108)	(1)	(14)	(7)	(130)	(68)	97	(1)	(23)	5	35	4	274	(38)	275
(75)	–	(16)	16	(75)	–	(4)	(77)	(22)	(103)	–	(12)	(135)	(73)	(220)
(71)	(37)	(28)	(47)	(183)	(38)	(22)	(8)	(13)	(81)	1	2	(18)	(24)	(39)
–	–	–	–	–	–	–	–	–	–	(217)	7	87	–	(123)
(67)	(1)	(6)	(27)	(101)	(12)	–	–	(9)	(21)	–	(264)	(132)	(319)	(715)
(321)	(39)	(64)	(65)	(489)	(118)	71	(86)	(67)	(200)	(181)	(263)	76	(454)	(822)
–	–	–	–	–	–	(32,192)	(7,656)	(1,010)	(40,858)	(384)	617	(541)	4,108	3,800
(360)	302	166	(935)	(827)	(147)	(31,828)	(5,619)	365	(37,229)	128	(528)	(192)	4,098	3,506
–	–	–	–	–	–	–	(47)	(30)	(77)	(16)	(15)	(14)	(13)	(58)
(360)	302	166	(935)	(827)	(147)	(31,828)	(5,666)	335	(37,306)	112	(543)	(206)	4,085	3,448
135	(106)	(48)	(221)	(240)	50	9,877	2,097	(167)	11,857	44	160	9	(1,466)	(1,253)
(225)	196	118	(1,156)	(1,067)	(97)	(21,951)	(3,569)	168	(25,449)	156	(383)	(197)	2,619	2,195

Non-operating items by geographical area

	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3	Q4	2008
Upstream										
US	(7)	178	(15)	213	369	(8)	(8)	3	(318)	(331)
Non-US	764	200	25	(867)	122	(368)	(1,968)	1,115	562	(659)
	757	378	10	(654)	491	(376)	(1,976)	1,118	244	(990)
Downstream										
US ^a	(58)	170	(316)	(977)	(1,181)	774	(16)	13	43	814
Non-US	(171)	597	(28)	(169)	229	(165)	(83)	(13)	(206)	(467)
	(229)	767	(344)	(1,146)	(952)	609	(99)	–	(163)	347
Other businesses and corporate										
US	6	7	(195)	(57)	(239)	(49)	(33)	(105)	(115)	(302)
Non-US	28	(15)	(6)	(30)	(23)	(32)	(90)	(23)	(186)	(331)
	34	(8)	(201)	(87)	(262)	(81)	(123)	(128)	(301)	(633)
Gulf of Mexico oil spill response	–	–	–	–	–	–	–	–	–	–
Total before interest and taxation	562	1,137	(535)	(1,887)	(723)	152	(2,198)	990	(220)	(1,276)
Finance costs ^b	–	–	–	–	–	–	–	–	–	–
Total before taxation	562	1,137	(535)	(1,887)	(723)	152	(2,198)	990	(220)	(1,276)
Taxation credit (charge) ^c	(192)	(347)	174	715	350	(56)	770	(331)	97	480
Total after taxation	370	790	(361)	(1,172)	(373)	96	(1,428)	659	(123)	(796)

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

^bFinance costs relate to the Gulf of Mexico oil spill. For more information see page 20.

^cTaxation is calculated using the quarter's effective tax rate (excluding the impact of the Gulf of Mexico oil spill and, for the first quarter 2011, the impact of a \$683-million one-off deferred tax adjustment in respect of an increase in the supplementary charge on UK oil and gas production) on group profit or loss. However, the US statutory tax rate has been used for recoveries relating to the Gulf of Mexico oil spill and expenditures that qualify for tax relief. For the fourth quarter and full year in 2009, no tax credit was calculated on the goodwill impairment in Downstream because the charge is not tax deductible.

Non-operating items by geographical area continued

\$ million														
Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	Q4	2011
71	118	(65)	21	145	(62)	(156)	1,681	(273)	1,190	4	(730)	(32)	831	73
240	389	536	955	2,120	103	217	60	1,629	2,009	706	66	532	(247)	1,057
311	507	471	976	2,265	41	61	1,741	1,356	3,199	710	(664)	500	584	1,130
(134)	(27)	(179)	(1,697)	(2,037)	(3)	151	216	(12)	352	(16)	(239)	(184)	(123)	(562)
(216)	(139)	(62)	(149)	(566)	(67)	81	166	98	278	(1)	21	(43)	(17)	(40)
(350)	(166)	(241)	(1,846)	(2,603)	(70)	232	382	86	630	(17)	(218)	(227)	(140)	(602)
(116)	(33)	(29)	14	(164)	(106)	(7)	(71)	(54)	(238)	1	(12)	(112)	(310)	(433)
(205)	(6)	(35)	(79)	(325)	(12)	78	(15)	(13)	38	(182)	(251)	188	(144)	(389)
(321)	(39)	(64)	(65)	(489)	(118)	71	(86)	(67)	(200)	(181)	(263)	76	(454)	(822)
–	–	–	–	–	–	(32,192)	(7,656)	(1,010)	(40,858)	(384)	617	(541)	4,108	3,800
(360)	302	166	(935)	(827)	(147)	(31,828)	(5,619)	365	(37,229)	128	(528)	(192)	4,098	3,506
–	–	–	–	–	–	–	(47)	(30)	(77)	(16)	(15)	(14)	(13)	(58)
(360)	302	166	(935)	(827)	(147)	(31,828)	(5,666)	335	(37,306)	112	(543)	(206)	4,085	3,448
135	(106)	(48)	(221)	(240)	50	9,877	2,097	(167)	11,587	44	160	9	(1,466)	(1,253)
(225)	196	118	(1,156)	(1,067)	(97)	(21,951)	(3,569)	168	(25,449)	156	(383)	(197)	2,619	2,195

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. Under IFRS, these inventories are recorded at historic cost. 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.

BP enters into commodity contracts to meet certain business requirements, such as the purchase of crude for a refinery or the sale of BP's gas production. Under IFRS these contracts are treated as derivatives and are required to be fair valued when they are managed as part of a larger portfolio of similar transactions. Gains and losses arising are recognized in the income statement from the time the derivative commodity contract is entered into.

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	2007	Q1	Q2	Q3	Q4	2008
By business										
Upstream	31	(74)	(36)	127	48	(259)	(373)	97	253	(282)
Downstream	(539)	337	(93)	(62)	(357)	101	(161)	636	(65)	511
	(508)	263	(129)	65	(309)	(158)	(534)	733	188	229
Taxation credit (charge) ^a	174	(80)	42	(25)	111	58	187	(245)	(83)	(83)
	(334)	183	(87)	40	(198)	(100)	(347)	488	105	146
By geographical area										
Upstream										
US	(6)	(71)	(19)	19	(77)	(142)	(236)	136	11	(231)
Non-US	37	(3)	(17)	108	125	(117)	(137)	(39)	242	(51)
	31	(74)	(36)	127	48	(259)	(373)	97	253	(282)
Downstream										
US	(165)	174	(142)	(32)	(165)	95	53	174	(91)	231
Non-US	(374)	163	49	(30)	(192)	6	(214)	462	26	280
	(539)	337	(93)	(62)	(357)	101	(161)	636	(65)	511

^aTaxation is calculated using the quarter's effective tax rate (excluding the impact of the Gulf of Mexico oil spill and, for the first quarter 2011, the impact of a \$683-million one-off deferred tax adjustment in respect of an increase in the supplementary charge on UK oil and gas production) on group profit or loss.

Total of non-operating items and fair value accounting effects

	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3	Q4	2008
Upstream										
US	(13)	107	(34)	232	292	(150)	(244)	139	(307)	(562)
Non-US	801	197	8	(759)	247	(485)	(2,105)	1,076	804	(710)
	788	304	(26)	(527)	539	(635)	(2,349)	1,215	497	(1,272)
Downstream										
US	(223)	344	(458)	(1,009)	(1,346)	869	37	187	(48)	1,045
Non-US	(545)	760	21	(199)	37	(159)	(297)	449	(180)	(187)
	(768)	1,104	(437)	(1,208)	(1,309)	710	(260)	636	(228)	858
Other businesses and corporate										
US	6	7	(195)	(57)	(239)	(49)	(33)	(105)	(115)	(302)
Non-US	28	(15)	(6)	(30)	(23)	(32)	(90)	(23)	(186)	(331)
	34	(8)	(201)	(87)	(262)	(81)	(123)	(128)	(301)	(633)
Gulf of Mexico oil spill response	–	–	–	–	–	–	–	–	–	–
Total before interest and taxation	54	1,400	(664)	(1,822)	(1,032)	(6)	(2,732)	1,723	(32)	(1,047)
Finance costs ^a	–	–	–	–	–	–	–	–	–	–
Total before taxation	54	1,400	(664)	(1,822)	(1,032)	(6)	(2,732)	1,723	(32)	(1,047)
Taxation credit (charge) ^b	(18)	(427)	216	690	461	2	957	(576)	14	397
Total after taxation for period	36	973	(448)	(1,132)	(571)	(4)	(1,775)	1,147	(18)	(650)

^aFinance costs relate to the Gulf of Mexico oil spill. For more information see page 20.

^bTaxation is calculated using the quarter's effective tax rate (excluding the impact of the Gulf of Mexico oil spill and, for the first quarter 2011, the impact of a \$683-million one-off deferred tax adjustment in respect of an increase in the supplementary charge on UK oil and gas production) on group profit or loss. However, the US statutory tax rate has been used for recoveries relating to the Gulf of Mexico oil spill and expenditures that qualify for tax relief. For the fourth quarter and full year in 2009, no tax credit was calculated on the goodwill impairment in Downstream because the charge is not tax deductible.

Fair value accounting effects continued

BP enters into contracts for pipelines and storage capacity, oil and gas processing and liquefied natural gas (LNG) that, under IFRS, are recorded on an accruals basis. These contracts are risk-managed using a variety of derivative instruments, which 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 management's internal measure of performance the inventory, capacity, oil and gas processing and LNG contracts in question are valued based on fair value using relevant forward prices prevailing at the end of the period and the commodity contracts for business requirements are accounted for on an accrual basis. We believe that disclosing management's estimate of this difference provides useful information for investors because it enables them 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	2009	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	Q4	2011
158	135	180	446	919	63	(122)	68	(12)	(3)	29	(35)	(39)	56	11
(109)	(126)	86	(112)	(261)	10	119	(221)	134	42	(100)	164	54	(55)	63
49	9	266	334	658	73	(3)	(153)	122	39	(71)	129	15	1	74
(18)	(3)	(77)	(115)	(213)	(25)	1	38	(40)	(26)	22	(44)	(5)	–	(27)
31	6	189	219	445	48	(2)	(115)	82	13	(49)	85	10	1	47
208	92	169	218	687	81	(35)	86	9	141	25	(18)	(9)	17	15
(50)	43	11	228	232	(18)	(87)	(18)	(21)	(144)	4	(17)	(30)	39	(4)
158	135	180	446	919	63	(122)	68	(12)	(3)	29	(35)	(39)	56	11
65	(46)	6	(9)	16	16	37	(61)	27	19	(48)	71	18	(41)	–
(174)	(80)	80	(103)	(277)	(6)	82	(160)	107	23	(52)	93	36	(14)	63
(109)	(126)	86	(112)	(261)	10	119	(221)	134	42	(100)	164	54	(55)	63

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

\$ million														
Q1	Q2	Q3	Q4	2009	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	Q4	2011
279	210	104	239	832	19	(191)	1,767	(264)	1,331	29	(748)	(41)	848	88
190	432	547	1,183	2,352	85	130	42	1,608	1,865	710	49	502	(208)	1,053
469	642	651	1,422	3,184	104	(61)	1,809	1,344	3,196	739	(699)	461	640	1,141
(69)	(73)	(173)	(1,706)	(2,021)	13	188	155	15	371	(64)	(168)	(166)	(164)	(562)
(390)	(219)	18	(252)	(843)	(73)	163	6	205	301	(53)	114	(7)	(31)	23
(459)	(292)	(155)	(1,958)	(2,864)	(60)	351	161	220	672	(117)	(54)	(173)	(195)	(539)
(116)	(33)	(29)	14	(164)	(106)	(7)	(71)	(54)	(238)	1	(12)	(112)	(310)	(433)
(205)	(6)	(35)	(79)	(325)	(12)	78	(15)	(13)	38	(182)	(251)	188	(144)	(389)
(321)	(39)	(64)	(65)	(489)	(118)	71	(86)	(67)	(200)	(181)	(263)	76	(454)	(822)
–	–	–	–	–	–	(32,192)	(7,656)	(1,010)	(40,858)	(384)	617	(541)	4,108	3,800
(311)	311	432	(601)	(169)	(74)	(31,831)	(5,772)	487	(37,190)	57	(399)	(177)	4,099	3,580
–	–	–	–	–	–	–	(47)	(30)	(77)	(16)	(15)	(14)	(13)	(58)
(311)	311	432	(601)	(169)	(74)	(31,831)	(5,819)	457	(37,267)	41	(414)	(191)	4,086	3,522
117	(109)	(125)	(336)	(453)	25	9,878	2,135	(207)	11,831	66	116	4	(1,466)	(1,280)
(194)	202	307	(937)	(622)	(49)	(21,953)	(3,684)	250	(25,436)	107	(298)	(187)	2,620	2,242

Gulf of Mexico oil spill

	\$ million									
	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	Q4	2011
Income statement										
Production and manufacturing expenses	–	32,192	7,656	1,010	40,858	384	(617)	541	(4,108)	(3,800)
Profit (loss) before interest and taxation	–	(32,192)	(7,656)	(1,010)	(40,858)	(384)	617	(541)	4,108	3,800
Finance costs	–	–	47	30	77	16	15	14	13	58
Profit (loss) before taxation	–	(32,192)	(7,703)	(1,040)	(40,935)	(400)	602	(555)	4,095	3,742
Less: taxation	–	10,003	2,604	287	12,894	201	(234)	115	(1,469)	(1,387)
Profit (loss) for the period	–	(22,189)	(5,099)	(753)	(28,041)	(199)	368	(440)	2,626	2,355
Balance sheet										
Current assets										
Trade and other receivables	–	6,233	6,663	5,943	5,943	5,981	7,170	5,598	8,487	8,487
Current liabilities										
Trade and other payables	–	(8,276)	(7,272)	(6,587)	(6,587)	(6,031)	(6,796)	(5,495)	(5,425)	(5,425)
Provisions	–	(11,809)	(11,343)	(7,938)	(7,938)	(7,379)	(7,414)	(7,078)	(9,437)	(9,437)
Net current liabilities	–	(13,852)	(11,952)	(8,582)	(8,582)	(7,429)	(7,040)	(6,975)	(6,375)	(6,375)
Non-current assets										
Other receivables	–	1,693	352	3,601	3,601	3,563	2,667	2,278	1,642	1,642
Non-current liabilities										
Other payables	–	(12,080)	(11,010)	(9,899)	(9,899)	(8,667)	(6,307)	(5,071)	–	–
Provisions	–	(5,837)	(5,062)	(8,397)	(8,397)	(8,098)	(6,964)	(6,611)	(5,896)	(5,896)
Deferred tax	–	9,440	10,988	11,255	11,255	11,218	10,497	9,721	7,775	7,775
Net non-current liabilities	–	(6,784)	(4,732)	(3,440)	(3,440)	(1,984)	(107)	317	3,521	3,521
Net assets	–	(20,636)	(16,684)	(12,022)	(12,022)	(9,413)	(7,147)	(6,658)	(2,854)	(2,854)
Cash flow statement										
Profit (loss) before taxation	–	(32,192)	(7,703)	(1,040)	(40,935)	(400)	602	(555)	4,095	3,742
Finance costs	–	–	47	30	77	16	15	14	13	58
Net charge for provisions, less payments	–	17,646	(409)	2,117	19,354	202	(90)	244	2,343	2,699
Movements in other current and non-current assets and liabilities	–	12,430	(2,042)	(6,542)	3,846	(2,864)	(2,912)	(1,523)	(8,106)	(15,405)
Pre-tax cash flows	–	(2,116)	(10,107)	(5,435)	(17,658)	(3,046)	(2,385)	(1,820)	(1,655)	(8,906)

Sales and other operating revenues

	\$ million				
	2007	2008	2009	2010	2011
By business					
Upstream	65,740	86,170	57,626	66,266	75,475
Downstream	250,221	320,039	213,050	266,751	344,116
Other businesses and corporate	3,698	4,634	2,843	3,328	2,957
	319,659	410,843	273,519	336,345	422,548
Less: sales and other operating revenues between businesses					
Upstream	32,083	45,931	32,540	37,049	44,766
Downstream	1,914	1,918	821	1,358	1,396
Other businesses and corporate	1,297	1,851	886	831	869
	35,294	49,700	34,247	39,238	47,031
Third-party sales and other operating revenues					
Upstream	33,657	40,239	25,086	29,217	30,709
Downstream	248,307	318,121	212,229	265,393	342,720
Other businesses and corporate	2,401	2,783	1,957	2,497	2,088
Total third-party sales and other operating revenues	284,365	361,143	239,272	297,107	375,517
By geographical area					
US	105,120	130,142	87,283	107,256	140,223
Non-US	201,816	267,246	173,822	220,059	276,840
	306,936	397,388	261,105	327,315	417,063
Less: sales and other operating revenues between areas	22,571	36,245	21,833	30,208	41,546
	284,365	361,143	239,272	297,107	375,517

Production and similar taxes

	\$ million				
	2007	2008	2009	2010	2011
Production and similar taxes provided for					
US	1,260	2,602	649	1,093	1,854
Non-US	4,443	6,351	3,103	4,151	6,426
	5,703	8,953	3,752	5,244	8,280
Production and similar taxes paid					
US	1,302	2,735	766	1,059	1,879
Non-US	4,545	6,681	3,219	4,402	6,425
	5,847	9,416	3,985	5,461	8,304

Taxation

	\$ million				
	2007	2008	2009	2010	2011
Tax on profit (loss)					
Current tax charge	9,835	13,383	5,745	6,692	7,588
Deferred tax charge (credit)	607	(766)	2,620	(8,193)	5,149
Total tax on profit (loss)	10,442	12,617	8,365	(1,501)	12,737
Taxation (charge) credit on inventory holdings gains and losses	(1,083)	2,052	(1,299)	(589)	(834)
Tax on replacement cost profit (loss)	9,359	14,669	7,066	(2,090)	11,903
Effective tax rates on					
Replacement cost profit (loss) for the year	33%	36%	33%	32%	33%
Profit (loss) for the year	33%	37%	33%	31%	33%
Income taxes paid	9,072	12,824	6,324	6,610	8,035

Depreciation, depletion and amortization

	\$ million				
	2007	2008	2009	2010	2011
By business					
Upstream					
US	2,365	3,012	4,150	3,751	3,201
Non-US	5,491	5,428	5,407	4,865	5,492
	7,856	8,440	9,557	8,616	8,693
Downstream					
US	1,076	825	919	955	840
Non-US	1,345	1,383	1,317	1,303	1,277
	2,421	2,208	2,236	2,258	2,117
Other businesses and corporate					
US	117	132	136	140	151
Non-US	185	205	177	150	174
	302	337	313	290	325
By geographical area					
US	3,558	3,969	5,205	4,846	4,192
Non-US	7,021	7,016	6,901	6,318	6,943
Total	10,579	10,985	12,106	11,164	11,135

Group balance sheet

At 31 December

	\$ million				
	2007	2008	2009	2010 ^a	2011
Non-current assets					
Property, plant and equipment	97,989	103,200	108,275	110,163	119,214
Goodwill	11,006	9,878	8,620	8,598	12,100
Intangible assets	6,652	10,260	11,548	14,298	21,102
Investments in jointly controlled entities	18,113	23,826	15,296	14,927	15,518
Investments in associates	4,579	4,000	12,963	13,335	13,291
Other investments	1,830	855	1,567	1,191	2,117
Fixed assets	140,169	152,019	158,269	162,512	183,342
Loans	999	995	1,039	894	884
Trade and other receivables	968	710	1,729	6,298	4,337
Derivative financial instruments	3,741	5,054	3,965	4,210	5,038
Prepayments	1,083	1,338	1,407	1,432	1,255
Deferred tax assets	—	—	516	528	611
Defined benefit pension plan surpluses	8,914	1,738	1,390	2,176	17
	155,874	161,854	168,315	178,050	195,484
Current assets					
Loans	165	168	249	247	244
Inventories	26,554	16,821	22,605	26,218	25,661
Trade and other receivables	38,020	29,261	29,531	36,549	43,526
Derivative financial instruments	6,321	8,510	4,967	4,356	3,857
Prepayments	3,589	3,050	1,753	1,574	1,286
Current tax receivable	705	377	209	693	235
Other investments	—	—	—	1,532	288
Cash and cash equivalents	3,562	8,197	8,339	18,556	14,067
	78,916	66,384	67,653	89,725	89,164
Assets classified as held for sale	1,286	—	—	4,487	8,420
	80,202	66,384	67,653	94,212	97,584
Total assets	236,076	228,238	235,968	272,262	293,068
Current liabilities					
Trade and other payables	43,152	33,644	35,204	46,329	52,405
Derivative financial instruments	6,405	8,977	4,681	3,856	3,220
Accruals	6,640	6,743	6,202	5,612	5,932
Finance debt	15,394	15,740	9,109	14,626	9,044
Current tax payable	3,282	3,144	2,464	2,920	1,941
Provisions	2,195	1,545	1,660	9,489	11,238
	77,068	69,793	59,320	82,832	83,780
Liabilities directly associated with the assets classified as held for sale	163	—	—	1,047	538
	77,231	69,793	59,320	83,879	84,318
Non-current liabilities					
Other payables	1,251	3,080	3,198	14,285	3,437
Derivative financial instruments	5,002	6,271	3,474	3,677	3,773
Accruals	959	784	703	637	389
Finance debt	15,651	17,464	25,518	30,710	35,169
Deferred tax liabilities	19,215	16,198	18,662	10,908	15,078
Provisions	12,900	12,108	12,970	22,418	26,404
Defined benefit pension plan and other post-retirement benefit plan deficits	9,215	10,431	10,010	9,857	12,018
	64,193	66,336	74,535	92,492	96,268
Total liabilities	141,424	136,129	133,855	176,371	180,586
Net assets	94,652	92,109	102,113	95,891	112,482
Equity					
BP shareholders' equity	93,690	91,303	101,613	94,987	111,465
Minority interest	962	806	500	904	1,017
Total equity	94,652	92,109	102,113	95,891	112,482

^aThe balance sheet at 31 December 2010 has been adjusted to show BP's investment in Pan American Energy LLC as a jointly controlled entity rather than an asset held for sale following the termination of the sale agreement and the reinstatement of equity accounting. See Note 4 to the *BP Annual Report and Form 20-F 2011* for further information.

Operating capital employed^a

	\$ million				
	2007	2008	2009	2010	2011
By business					
Upstream					
US	30,341	35,807	39,209	40,065	41,347
Non-US	45,461	48,011	52,804	56,212	64,450
	75,802	83,818	92,013	96,277	105,797
Downstream					
US	17,748	15,904	20,114	23,463	24,663
Non-US	30,163	25,295	26,387	24,959	26,282
	47,911	41,199	46,501	48,422	50,945
TNK-BP					
US	–	–	–	–	–
Non-US	8,817	8,939	9,141	9,995	10,013
	8,817	8,939	9,141	9,995	10,013
Other businesses and corporate					
US	(1,903)	(2,505)	(2,773)	(2,905)	(3,185)
Non-US	6,785	3,247	4,655	17,285	8,503
	4,882	742	1,882	14,380	5,318
Gulf of Mexico oil spill response	–	–	–	(23,277)	(10,629)
Consolidation adjustment	(929)	(298)	(1,016)	(561)	(676)
	136,483	134,400	148,521	145,236	160,768
By geographical area					
US	45,369	49,056	55,826	36,917	51,785
Non-US	91,114	85,344	92,695	108,319	108,983
Total operating capital employed	136,483	134,400	148,521	145,236	160,768
Liabilities for current and deferred taxation	(21,792)	(18,965)	(20,401)	(12,607)	(16,173)
Goodwill	11,006	9,878	8,620	8,598	12,100
Capital employed	125,697	125,313	136,740	141,227	156,695
Financed by					
Finance debt	31,045	33,204	34,627	45,336	44,213
Minority interest	962	806	500	904	1,017
BP shareholders' equity	93,690	91,303	101,613	94,987	111,465
Capital employed	125,697	125,313	136,740	141,227	156,695

^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				
	2007	2008	2009	2010	2011
Net book amount by business					
Upstream					
US	31,555	35,369	36,361	37,230	41,385
Non-US	39,274	40,439	42,583	42,542	49,903
	70,829	75,808	78,944	79,772	91,288
Downstream					
US	9,440	10,608	12,497	14,151	11,303
Non-US	15,030	14,016	14,616	13,996	13,483
	24,470	24,624	27,113	28,147	24,786
Other businesses and corporate					
US	1,248	1,659	1,385	1,495	1,770
Non-US	1,442	1,109	833	749	1,370
	2,690	2,768	2,218	2,244	3,140
Net book amount by geographical area					
US	42,243	47,636	50,243	52,876	54,458
Non-US	55,746	55,564	58,032	57,287	64,756
	97,989	103,200	108,275	110,163	119,214
Cost and accumulated depreciation					
Upstream					
Cost	152,486	165,626	176,332	177,537	193,302
Accumulated depreciation	(81,657)	(89,818)	(97,388)	(97,765)	(102,014)
	70,829	75,808	78,944	79,772	91,288
Downstream					
Cost	48,590	47,289	51,276	52,843	44,225
Accumulated depreciation	(24,120)	(22,665)	(24,163)	(24,696)	(19,439)
	24,470	24,624	27,113	28,147	24,786
Other businesses and corporate					
Cost	4,015	4,194	3,650	3,859	4,460
Accumulated depreciation	(1,325)	(1,426)	(1,432)	(1,615)	(1,320)
	2,690	2,768	2,218	2,244	3,140
Group					
Cost	205,091	217,109	231,258	234,239	241,987
Accumulated depreciation	(107,102)	(113,909)	(122,983)	(124,076)	(122,773)
	97,989	103,200	108,275	110,163	119,214

Analysis of inventories, receivables and payables

	\$ million				
	2007	2008	2009	2010	2011
Inventories					
Inventories	23,040	13,821	18,679	23,078	22,789
Supplies	1,517	1,588	1,661	1,669	2,057
	24,557	15,409	20,340	24,747	24,846
Trading inventories	1,997	1,412	2,265	1,471	815
	26,554	16,821	22,605	26,218	25,661
Current receivables					
Trade receivables	33,012	22,869	22,604	24,255	27,929
Amounts receivable from jointly controlled entities	888	1,035	1,317	751	1,004
Amounts receivable from associates	380	219	417	448	492
Current tax receivable	705	377	209	693	235
Gulf of Mexico oil spill trust fund reimbursement asset	—	—	—	5,943	8,233
Other current receivables	13,815	16,866	12,162	12,861	11,543
	48,800	41,366	36,709	44,951	49,436
Non-current receivables					
Trade receivables	—	—	—	—	508
Amounts receivable from jointly controlled entities	—	—	11	601	612
Amounts receivable from associates	—	—	298	220	159
Gulf of Mexico oil spill trust fund reimbursement asset	—	—	—	3,601	1,642
Other non-current receivables	6,791	8,097	7,831	8,412	8,593
	6,791	8,097	8,140	12,834	11,514
Current payables					
Trade payables	30,735	20,129	22,886	27,510	29,830
Amounts payable to jointly controlled entities	66	292	304	1,361	1,578
Amounts payable to associates	650	295	692	712	876
Production and similar taxes	803	445	757	919	1,480
Current tax payable	3,282	3,144	2,464	2,920	1,941
Dividends	1	1	1	1	1
Gulf of Mexico oil spill trust fund liability	—	—	—	5,002	4,872
Other current payables	23,942	28,202	21,447	20,292	22,920
	59,479	52,508	48,551	58,717	63,498
Non-current payables					
Amounts payable to jointly controlled entities	—	2,255	2,419	1,905	1,047
Amounts payable to associates	—	—	298	220	159
Production and similar taxes	765	538	286	471	283
Gulf of Mexico oil spill trust fund liability	—	—	—	9,899	—
Other non-current payables	6,447	7,342	4,372	6,104	6,110
	7,212	10,135	7,375	18,599	7,599

Group cash flow statement

	\$ million				
	2007	2008	2009	2010	2011
Operating activities					
Profit (loss) before taxation	31,611	34,283	25,124	(4,825)	38,834
Adjustments to reconcile profit (loss) before taxation to net cash provided by operating activities					
Exploration expenditure written off	347	385	593	375	1,024
Depreciation, depletion and amortization	10,579	10,985	12,106	11,164	11,135
Impairment and (gain) loss on sale of businesses and fixed assets	(808)	380	160	(4,694)	(2,072)
Earnings from jointly controlled entities and associates	(3,832)	(3,821)	(3,901)	(4,757)	(6,220)
Dividends received from jointly controlled entities and associates	2,473	3,728	3,003	3,277	5,381
Interest receivable	(489)	(407)	(258)	(277)	(198)
Interest received	500	385	203	205	216
Finance costs	1,393	1,547	1,110	1,170	1,246
Interest paid	(1,363)	(1,291)	(909)	(912)	(1,110)
Net finance expense (income) relating to pensions and other post-retirement benefits	(652)	(591)	192	(47)	(263)
Share-based payments	420	459	450	197	(88)
Net operating charge for pensions and other post-retirement benefits, less contributions and benefit payments for unfunded plans	(404)	(173)	(887)	(959)	(1,004)
Net charge for provisions, less payments	(92)	(298)	650	19,217	2,976
(Increase) decrease in inventories	(7,255)	9,010	(5,363)	(3,895)	(3,988)
(Increase) decrease in other current and non-current assets	5,210	2,439	7,595	(15,620)	(9,913)
Increase (decrease) in other current and non-current liabilities	(3,857)	(6,101)	(5,828)	20,607	(5,767)
Income taxes paid	(9,072)	(12,824)	(6,324)	(6,610)	(8,035)
Net cash provided by operating activities	24,709	38,095	27,716	13,616	22,154
Investing activities					
Capital expenditure	(17,830)	(22,658)	(20,650)	(18,421)	(17,845)
Acquisitions, net of cash acquired	(1,225)	(395)	1	(2,468)	(10,909)
Investment in jointly controlled entities	(428)	(1,009)	(578)	(461)	(857)
Investment in associates	(187)	(81)	(164)	(65)	(55)
Proceeds from disposal of fixed assets	1,749	918	1,715	7,492	3,500
Proceeds from disposal of businesses, net of cash disposed ^a	2,518	11	966	9,462	(768)
Proceeds from loan repayments	192	647	530	501	301
Other	374	(200)	47	–	–
Net cash used in investing activities	(14,837)	(22,767)	(18,133)	(3,960)	(26,633)
Financing activities					
Net issue (repurchase) of shares	(7,113)	(2,567)	207	169	74
Proceeds from long-term financing	8,109	7,961	11,567	11,934	11,600
Repayments of long-term financing	(3,192)	(3,821)	(6,021)	(4,702)	(9,102)
Net increase (decrease) in short-term debt	1,494	(1,315)	(4,405)	(3,619)	2,227
Dividends paid					
BP shareholders	(8,106)	(10,342)	(10,483)	(2,627)	(4,072)
Minority interest	(227)	(425)	(416)	(315)	(245)
Net cash provided by (used in) financing activities	(9,035)	(10,509)	(9,551)	840	482
Currency translation differences relating to cash and cash equivalents	135	(184)	110	(279)	(492)
Increase (decrease) in cash and cash equivalents	972	4,635	142	10,217	(4,489)
Cash and cash equivalents at beginning of year	2,590	3,562	8,197	8,339	18,556
Cash and cash equivalents at end of year	3,562	8,197	8,339	18,556	14,067

^a2010 included a deposit received in advance of \$3,530 million in respect of the expected sale of our interest in Pan American Energy LLC; 2011 includes the repayment of the same amount following the termination of the sale agreement.

Movement in net debt

	\$ million				
	2007	2008	2009	2010	2011
Opening 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
Opening net debt	21,122	26,817	25,041	26,161	25,864
Closing balance					
Finance debt	31,045	33,204	34,627	45,336	44,213
Less: cash and cash equivalents	3,562	8,197	8,339	18,556	14,067
Less: fair value asset (liability) of hedges related to finance debt	666	(34)	127	916	1,133
Closing net debt	26,817	25,041	26,161	25,864	29,013
Decrease (increase) in net debt	(5,695)	1,776	(1,120)	297	(3,149)
Movement in cash and cash equivalents (excluding exchange adjustments)	837	4,819	32	10,496	(3,997)
Net cash (inflow) outflow from financing (excluding share capital)	(6,411)	(2,825)	(1,141)	(3,613)	(4,725)
Movement in finance debt relating to investing activities ^a	–	–	–	(6,197)	6,167
Other movements	(134)	(136)	(61)	(304)	(132)
Movement in net debt before exchange effects	(5,708)	1,858	(1,170)	382	(2,687)
Exchange adjustments	13	(82)	50	(85)	(462)
Decrease (increase) in net debt	(5,695)	1,776	(1,120)	297	(3,149)

^a 2010 includes \$6,197 million of deposits received from counterparties in respect of disposal transactions not completed at 31 December 2010, of which \$30 million related to transactions still not completed at 31 December 2011.

Capital expenditure, acquisitions and disposals

	\$ million				
	2007	2008	2009	2010	2011
By business					
Upstream					
US ^{a b c}	5,096	10,359	6,169	6,632	5,363
Non-US ^{d e f g}	9,111	11,868	8,727	11,121	20,172
	14,207	22,227	14,896	17,753	25,535
Downstream					
US ^d	1,872	4,297	2,625	2,761	2,590
Non-US ^h	3,623	2,337	1,489	1,268	1,540
	5,495	6,634	4,114	4,029	4,130
Other businesses and corporate					
US ⁱ	519	1,390	1,071	977	877
Non-US ⁱ	420	449	228	257	976
	939	1,839	1,299	1,234	1,853
By geographical area					
US ^{a b c d i}	7,487	16,046	9,865	10,370	8,830
Non-US ^{d e f g h j}	13,154	14,654	10,444	12,646	22,688
	20,641	30,700	20,309	23,016	31,518
Included above					
Acquisitions and asset exchanges ^{a d f g h j}	1,447	2,514	308	3,406	11,283
Disposal proceeds	4,267	929	2,681	16,954	2,732

^a2010 included \$1,767 million in Upstream in the US deepwater Gulf of Mexico as part of the transaction with Devon Energy.

^b2008 included \$3,667 million in Upstream 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.

^c2011 included \$1,096 million associated with deepening our natural gas asset base.

^d2008 included capital expenditure of \$2,822 million in Upstream and an asset exchange of \$1,909 million in Downstream relating to the formation of an integrated North American oil sands business with Husky Energy Inc.

^e2010 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.

^fIncludes capital expenditure of \$3,236 million in Brazil for 2011 and \$1,107 million in Azerbaijan for 2010 as part of the transaction with Devon Energy.

^g2011 included \$7,026 million relating to the acquisition from Reliance Industries of interests in 21 oil and gas production-sharing agreements in India.

^h2007 included the acquisition of Chevron's Netherlands manufacturing company for \$1,132 million.

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

^j2011 included \$680 million in Brazil relating to the acquisition of Companhia Nacional de Açúcar e Alcool.

Ratios^a

	\$ million				
	2007	2008	2009	2010	2011
Return on average capital employed					
Replacement cost profit (loss)	18,370	25,593	13,955	(4,914)	23,900
Interest expense ^b	722	752	467	456	512
Minority interest	324	509	181	395	397
Adjusted replacement cost profit (loss)	19,416	26,854	14,603	(4,063)	24,809
Non-operating items and fair value accounting effects after taxation	571	650	622	25,436	(2,242)
Adjusted underlying replacement cost profit	19,987	27,504	15,225	21,373	22,567
Average capital employed (including goodwill)	117,587	125,506	131,027	138,892	148,962
Return on average capital employed (including goodwill, non-operating items and fair value accounting effects)	16.5%	21.4%	11.1%	(2.9)%	16.7%
Average capital employed (excluding goodwill)	106,694	115,064	121,778	130,373	138,613
Return on average capital employed (excluding goodwill, non-operating items and fair value accounting effects)	18.7%	23.9%	12.5%	16.4%	16.3%
Debt ratios					
Gross debt	31,045	33,204	34,627	45,336	44,213
Less: fair value asset (liability) of hedges related to finance debt	666	(34)	127	916	1,133
	30,379	33,238	34,500	44,420	43,080
Cash and cash equivalents	3,562	8,197	8,339	18,556	14,067
Net debt	26,817	25,041	26,161	25,864	29,013
Equity	94,652	92,109	102,113	95,891	112,482
Debt to debt-plus-equity ratio	24.3%	26.5%	25.3%	31.7%	27.7%
Debt to equity ratio	32.1%	36.1%	33.8%	46.3%	38.3%
Net debt to net debt-plus-equity ratio	22.1%	21.4%	20.4%	21.2%	20.5%
Net debt to equity ratio	28.3%	27.2%	25.6%	27.0%	25.8%

^aThe ratios are defined on pages 90 and 91.

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

Employee numbers

					at 31 December
	2007	2008	2009	2010	2011
By business					
Upstream	21,800	21,400	21,500	21,100	22,200
Downstream (excluding service station staff)	42,700	40,300	37,700	37,100	36,400
Other businesses and corporate	9,100	9,100	7,200	6,200	10,100
Gulf Coast Restoration Organization	–	–	–	100	100
	73,600	70,800	66,400	64,500	68,800
Service station staff	24,500	21,200	13,900	15,200	14,600
	98,100	92,000	80,300	79,700	83,400
By geographical area					
US	33,000	29,300	22,800	22,100	22,900
Non-US	65,100	62,700	57,500	57,600	60,500
	98,100	92,000	80,300	79,700	83,400

Information for earnings per share

					\$ million
	2007	2008	2009	2010	2011
Results for the period					
Profit (loss) for the year attributable to BP shareholders	20,845	21,157	16,578	(3,719)	25,700
Less: preference dividend	2	2	2	2	2
Profit (loss) for the year attributable to BP ordinary shareholders	20,843	21,155	16,576	(3,721)	25,698
	20,843	21,155	16,576	(3,721)	25,698
Profit (loss) for the year attributable to BP ordinary shareholders, as above					
Inventory holding (gains) losses, net of tax	(2,475)	4,436	(2,623)	(1,195)	(1,800)
Replacement cost profit (loss) attributable to ordinary shareholders	18,368	25,591	13,953	(4,916)	23,898
Average number of shares					
Basic weighted average number of shares outstanding (thousand) ^a	19,163,389	18,789,827	18,732,459	18,785,912	18,904,812
ADS equivalent (thousand) ^a	3,193,898	3,131,638	3,122,077	3,130,985	3,150,802
Diluted weighted average number of shares outstanding (thousand) ^a	19,326,875	18,962,517	18,935,691	18,997,807	19,136,200
ADS equivalent (thousand) ^a	3,221,146	3,160,412	3,155,949	3,166,301	3,189,367
Shares in issue at year end (thousand) ^a	18,932,143	18,716,098	18,755,378	18,796,498	18,977,214
ADS equivalent (thousand) ^a	3,155,357	3,119,350	3,125,896	3,132,750	3,162,869
Shares repurchased in the year (thousand)	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.

BP shareholding information

Register of members holding BP ordinary shares as at 31 December 2011

Range of holdings	Number of ordinary shareholders	Percentage of total ordinary shareholders	Percentage of total ordinary share capital excluding shares held in treasury
1–200	59,824	19.65	0.02
201–1,000	112,279	36.87	0.31
1,001–10,000	119,628	39.28	1.88
10,001–100,000	11,107	3.65	1.17
100,001–1,000,000	923	0.30	1.81
Over 1,000,000 ^a	755	0.25	94.81
Totals	304,516	100.00	100.00

^aIncludes JPMorgan Chase Bank, N.A. holding 26.50% 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 2011^a

Range of holdings	Number of ADS holders	Percentage of total ADS holders	Percentage of total ADSs
1–200	62,206	56.35	0.42
201–1,000	30,364	27.50	1.73
1,001–10,000	16,856	15.27	5.34
10,001–100,000	966	0.87	1.96
100,001–1,000,000	9	0.01	0.15
Over 1,000,000 ^b	1	0.00	90.40
Totals	110,402	100.00	100.00

^aOne ADS represents six 25-cent ordinary shares.

^bOne holder of ADSs represents 792,991 underlying shareholders.

As at 31 December 2011, there were also 1,591 preference shareholders.

Share ownership as at 31 December 2011^a

Principal area	Percentage of shares in issue		
	Institutions ^b	Individuals	Total
UK	32	3	35
US	24	14	38
Rest of Europe	13	2	15
Rest of World	9	0	9
Miscellaneous ^c	3	–	3
	81	19	100

^aRepresents BP's best efforts to determine ownership of the group's shares, based on analysis of the year-end share register.

^bNote that institutions include custodians, market makers, delivery by value, brokerage, stock lending, clearing and non-American depository receipt arbitrage.

^cMiscellaneous represents unidentified shares that are awaiting confirmation of the identity of the holder and the nature of their interest in the shares following enquiries made under Section 793 of the Companies Act 2006.

BP share data

	2007	2008	2009	2010	2011
Share price and dividends					
Share price (pence per ordinary share)					
High	640.00	657.25	613.40	658.20	514.90
Low	504.50	370.00	400.00	296.00	361.25
End year	615.00	526.00	600.00	465.55	460.50
Dividends paid (pence per ordinary share)					
First quarter	5.258	6.813	9.818	8.679	4.3372
Second quarter	5.151	6.830	9.584	–	4.2809
Third quarter	5.278	7.039	8.503	–	4.3160
Fourth quarter	5.308	8.705	8.512	–	4.4694
	20.995	29.387	36.417	8.679	17.4035
Dividends paid (cents per ordinary share)					
First quarter	10.325	13.525	14.000	14.000	7.000
Second quarter	10.325	13.525	14.000	–	7.000
Third quarter	10.825	14.000	14.000	–	7.000
Fourth quarter	10.825	14.000	14.000	–	7.000
	42.300	55.050	56.000	14.000	28.000
ADS price (US dollars per ADS)					
High	79.77	77.69	60.00	62.38	49.50
Low	58.62	37.57	33.71	26.75	33.63
End year	73.17	46.74	57.97	44.17	42.74
Dividends paid (US dollars per ADS)					
First quarter	0.6195	0.8115	0.8400	0.8400	0.4200
Second quarter	0.6195	0.8115	0.8400	–	0.4200
Third quarter	0.6495	0.8400	0.8400	–	0.4200
Fourth quarter	0.6495	0.8400	0.8400	–	0.4200
	2.5380	3.3030	3.3600	0.8400	1.6800
Dividend payout ratio ^a					
Based on replacement cost profit for the year	44%	40%	75%	n/a	22%
Based on profit for the year	39%	49%	63%	n/a	21%
Dividend cover ^a					
Dividend cover out of income ^b	2.27	2.47	1.33	n/a	4.52
Dividend cover out of cash flow ^c	3.05	3.68	2.64	5.18	4.19

^aThe calculation is based on the assumption that all dividends, including scrip dividends from 2011, are paid in cash.

^bBased on replacement cost profit for the year.

^cNet cash provided by operating activities, divided by gross dividends paid.

Group hydrocarbon data

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Oil and natural gas information

The regional analysis presented below, on pages 36 to 60, 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, proved reserves are based on revised SEC definitions.

Oil and natural gas exploration and production activities

	\$ 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.

Upstream 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.										
Upstream 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

^a These 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.

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

^c Includes costs capitalized as a result of asset exchanges.

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

^e Presented net of transportation costs, purchases and sales taxes.

^f Includes 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.

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

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

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

^j Midstream activities exclude inventory holding gains and losses.

Oil and natural gas exploration and production activities continued

	\$ million									
	Europe		North America		South America	Africa	Asia		Australasia	2009 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	972	99	1,525	1,846	–	636	785	8,170
Sales between businesses	2,482	809	15,100	484	1,409	5,313	–	6,257	726	32,580
	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 (loss) 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
Upstream 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
	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	–
Unproved properties	–	–	–	1,378	197	–	737	–	–
Accumulated depreciation	–	–	–	1,378	5,986	–	14,003	2,259	–
Net capitalized costs	–	–	–	1,378	3,902	–	8,453	520	–
Costs incurred for the year ended 31 December ^b									
Acquisition of properties ^c									
Proved	–	–	–	–	–	–	–	–	–
Unproved	–	–	–	–	31	–	10	–	–
Exploration and appraisal costs ^d	–	–	–	–	31	–	10	–	–
Development	–	–	–	–	21	–	77	3	–
Total costs	–	–	–	30	538	–	1,182	246	–
Results of operations for the year ended 31 December									
Sales and other operating revenues ^e									
Third parties	–	–	–	–	1,977	–	4,919	1,874	–
Sales between businesses	–	–	–	–	–	–	2,838	–	–
Exploration expenditure	–	–	–	–	23	–	37	–	–
Production costs	–	–	–	–	354	–	1,428	159	–
Production taxes	–	–	–	–	702	–	2,597	1,523	–
Other costs (income)	–	–	–	–	(69)	–	12	(2)	–
Depreciation, depletion and amortization	–	–	–	–	281	–	1,073	274	–
Impairments and losses on sale of businesses and fixed assets	–	–	–	–	–	–	72	–	–
Profit (loss) before taxation	–	–	–	–	1,291	–	5,219	1,954	–
Allocable taxes	–	–	–	–	686	–	2,538	(80)	–
Results of operations	–	–	–	–	270	–	501	–	–
Exploration and production activities – equity-accounted entities after tax (as above)	–	–	–	–	416	–	2,037	(80)	–
Midstream and other activities after tax ^f	–	5	29	134	214	56	(113)	611	–
Total replacement cost profit after interest and tax	–	5	29	134	630	56	1,924	531	–

^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
Upstream 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	5,778	–	14,486	3,192	–
Unproved properties	–	–	–	1,284	163	–	652	–	–
Accumulated depreciation	–	–	–	1,426	5,941	–	15,138	3,192	–
Net capitalized costs	–	–	–	1,426	3,691	–	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	–
Results of operations for the year ended 31 December									
Sales and other operating revenues ^e									
Third parties	–	–	–	–	2,268	–	5,610	2,557	–
Sales between businesses	–	–	–	–	–	–	3,432	19	–
Exploration expenditure	–	–	–	–	22	–	40	–	–
Production costs	–	–	–	–	316	–	1,602	184	–
Production taxes	–	–	–	–	911	–	3,567	2,029	–
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	–	–
Profit (loss) before taxation	–	–	–	67	1,593	–	6,209	2,574	–
Allocable taxes	–	–	–	–	260	–	475	33	–
Results of operations	–	–	–	(67)	415	–	2,358	(31)	–
Exploration and production activities – equity-accounted entities after tax (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.

Oil and natural gas exploration and production activities continued

	\$ million								
	2011								
	Europe		North America		South America	Africa	Asia		Australasia
	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	37,491	8,994	73,626	182	7,471	29,358	–	14,833	3,370
Unproved properties	368	180	6,198	1,471	2,986	3,689	–	4,495	1,279
	37,859	9,174	79,824	1,653	10,457	33,047	–	19,328	4,649
Accumulated depreciation	26,953	3,715	36,009	139	3,839	14,595	–	6,235	1,294
Net capitalized costs	10,906	5,459	43,815	1,514	6,618	18,452	–	13,093	3,355
Costs incurred for the year ended 31 December^{b,c}									
Acquisition of properties ^{d,e}									
Proved	–	–	1,178	8	237	–	–	1,733	–
Unproved	–	1	418	–	2,592	679	–	3,008	–
	–	1	1,596	8	2,829	679	–	4,741	–
Exploration and appraisal costs ^f	211	1	566	117	271	490	6	511	225
Development	1,361	889	3,016	–	405	2,933	–	1,340	251
Total costs	1,572	891	5,178	125	3,505	4,102	6	6,592	476
Results of operations for the year ended 31 December									
Sales and other operating revenues ^g									
Third parties	1,997	–	751	25	2,263	3,353	–	1,450	1,611
Sales between businesses	3,495	1,273	19,089	20	1,409	4,858	–	10,811	967
	5,492	1,273	19,840	45	3,672	8,211	–	12,261	2,578
Exploration expenditure	37	1	1,065	9	35	163	6	134	70
Production costs	1,372	230	3,402	66	503	1,146	4	787	194
Production taxes	72	–	1,854	–	278	–	–	5,956	147
Other costs (income) ^h	(1,357)	101	4,688	49	935	215	72	118	257
Depreciation, depletion and amortization	874	199	2,980	6	523	1,668	–	1,692	172
Impairments and (gains) losses on sale of businesses and fixed assets	26	(64)	(492)	15	(1,085)	18	(1)	(537)	–
	1,024	467	13,497	145	1,189	3,210	81	8,150	840
Profit (loss) before taxation ⁱ	4,468	806	6,343	(100)	2,483	5,001	(81)	4,111	1,738
Allocable taxes	2,483	384	2,152	(159)	1,205	2,184	(21)	1,001	677
Results of operations	1,985	422	4,191	59	1,278	2,817	(60)	3,110	1,061
Upstream segment replacement cost profit before interest and tax									
Exploration and production activities – subsidiaries (as above)	4,468	806	6,343	(100)	2,483	5,001	(81)	4,111	1,738
Midstream activities – subsidiaries ^j	(118)	29	(157)	299	(58)	(4)	(1)	42	284
Equity-accounted entities ^k	–	12	10	58	598	69	4,095	573	–
Total replacement cost profit before interest and tax	4,350	847	6,196	257	3,023	5,066	4,013	4,726	2,022

^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.

^eExcludes goodwill associated with business combinations.

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

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

^hIncludes property taxes, other government take and the fair value gain on embedded derivatives of \$191 million. The UK region includes a \$1,442-million gain offset by corresponding charges primarily in the US, relating to the group self-insurance programme. The South America region includes a charge of \$700 million associated with the termination of the agreement to sell our 60% interest in Pan American Energy LLC to Bidas Corporation.

ⁱExcludes the unwinding of the discount on provisions and payables amounting to \$352 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								2011
	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	–	–	–	168	6,562	–	16,214	3,571	– 26,515
Unproved properties	–	–	–	1,510	19	–	652	9	– 2,190
Accumulated depreciation	–	–	–	1,678	6,581	–	16,866	3,580	– 28,705
Net capitalized costs	–	–	–	–	2,644	–	6,978	3,017	– 12,639
	–	–	–	1,678	3,937	–	9,888	563	– 16,066
Costs incurred for the year ended 31 December ^b									
Acquisition of properties ^c									
Proved	–	–	–	–	–	–	–	46	– 46
Unproved	–	–	–	–	6	–	37	–	– 43
	–	–	–	–	6	–	37	46	– 89
Exploration and appraisal costs ^d	–	–	–	–	2	–	167	9	– 178
Development	–	–	–	251	587	–	1,862	435	– 3,135
Total costs	–	–	–	251	595	–	2,066	490	– 3,402
Results of operations for the year ended 31 December									
Sales and other operating revenues ^e									
Third parties	–	–	–	–	2,381	–	7,380	3,828	– 13,589
Sales between businesses	–	–	–	–	–	–	5,149	23	– 5,172
	–	–	–	–	2,381	–	12,529	3,851	– 18,761
Exploration expenditure	–	–	–	–	10	–	72	1	– 83
Production costs	–	–	–	–	459	–	1,846	212	– 2,517
Production taxes	–	–	–	–	1,098	–	5,000	3,125	– 9,223
Other costs (income)	–	–	–	–	(239)	–	2	(1)	– (238)
Depreciation, depletion and amortization	–	–	–	–	329	–	988	431	– 1,748
Impairments and (gains) losses on sale of businesses and fixed assets	–	–	–	–	–	–	–	–	–
	–	–	–	–	1,657	–	7,908	3,768	– 13,333
Profit (loss) before taxation	–	–	–	–	724	–	4,621	83	– 5,428
Allocable taxes	–	–	–	–	294	–	806	19	– 1,119
Results of operations	–	–	–	–	430	–	3,815	64	– 4,309
Exploration and production activities – equity-accounted entities after tax (as above)	–	–	–	–	430	–	3,815	64	– 4,309
Midstream and other activities after tax ^f	–	12	10	58	168	69	280	509	– 1,106
Total replacement cost profit after interest and tax	–	12	10	58	598	69	4,095	573	– 5,415

^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, and excludes inventory holding gains and losses.

Movements in estimated net proved reserves

million barrels										
2007										
Crude oil ^a	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 upon 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 54,000 barrels per 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

billion cubic feet										
										2007
Natural gas ^a										
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

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

^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 upon which a net profits royalty will be payable over the life of the field under the terms of the Prudhoe Bay Royalty Trust.

^d Excludes NGLs from processing plants in which an interest is held of 54,000 barrels per 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 the minority interest in TNK-BP.

Movements in estimated net proved reserves continued

		million barrels									
Crude oil ^a		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

^a Crude 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.

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

^c Excludes NGLs from processing plants in which an interest is held of 19,000 barrels per day.

^d Includes 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.

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

^f Includes 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

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

^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

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

^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 upon 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 19,000 barrels of oil equivalent per 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

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

^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 upon 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 26,000 barrels per 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									Total
	Europe	Rest of Europe	North America	Rest of North America	South America	Africa	Asia	Rest of Asia	Australasia	
	UK		US				Russia			
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									
	Europe		North America		South America		Africa		Asia	
	UK	Rest of Europe	US ^c	Rest of North America				Russia	Rest of Asia	Australasia
2009										
Total										
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 upon 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 26,000 barrels of oil equivalent per 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) ^{hi}	–	(313)	(69)	–	(417)
Sales of reserves-in-place	–	–	–	–	–	–	(3)	–	–	(3)
	–	–	–	–	3	3	201	(89)	–	118
At 31 December 2010 ⁱ										
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

^a Crude 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.

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

^c Excludes NGLs from processing plants in which an interest is held of 29,000 barrels per day.

^d Includes 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.

^e Includes 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.

^f Includes 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.

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

^h Includes 2 million barrels of crude oil sold relating to production since classification of equity-accounted entities as held for sale.

ⁱ Includes 9 million barrels of crude oil sold relating to production from assets held for sale at 31 December 2010.

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

^k Includes 213 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		
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 1 billion cubic feet of gas sales relating to production since classification of equity-accounted entities as held for sale.

^h Includes 3 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 50 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

		million barrels of oil equivalent ^b								
Total hydrocarbons ^a		2010								
		Europe		North America		South America	Africa	Asia		Australasia
		UK	Rest of Europe	US ^c	Rest of North America			Russia	Rest of Asia	Total
Subsidiaries										
At 1 January 2010										
Developed		680	91	3,514	135	596	613	–	455	6,696
Undeveloped		406	253	2,183	79	1,331	704	–	376	5,925
		1,086	344	5,697	214	1,927	1,317	–	831	12,621
Changes attributable to										
Revisions of previous estimates		18	2	(364)	(2)	(1)	(61)	–	(87)	(528)
Improved recovery		126	10	276	–	105	17	–	160	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)	(927)
Sales of reserves-in-place		(1)	–	(190)	(189)	–	(24)	–	–	(404)
		96	35	(408)	(204)	(75)	62	–	31	(544)
At 31 December 2010 ^{g h}										
Developed		608	84	3,366	10	660	600	–	491	6,481
Undeveloped		574	295	1,923	–	1,192	779	–	371	5,596
		1,182	379	5,289	10	1,852	1,379	–	862	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	10,341
Undeveloped		406	253	2,183	79	1,911	741	1,287	498	7,951
		1,086	344	5,697	214	3,130	1,354	3,932	1,330	18,292
At 31 December 2010										
Developed		608	84	3,366	10	1,253	600	2,716	873	10,172
Undeveloped		574	295	1,923	179	1,805	822	1,441	398	7,899
		1,182	379	5,289	189	3,058	1,422	4,157	1,271	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 upon 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 29,000 barrels of oil equivalent per 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 2 million barrels of oil equivalent sold relating to production since classification of equity-accounted entities as held for sale.

^k Includes 9 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 222 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.

Movements in estimated net proved reserves continued

Crude oil ^a	million barrels									
	Europe		North America		South America	Africa	Asia		Australasia	2011 Total
	UK	Rest of Europe	US ^b	Rest of North America			Russia	Rest of Asia		
Subsidiaries										
At 1 January 2011										
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
Changes attributable to										
Revisions of previous estimates	(1)	5	27	–	6	(68)	–	(131)	3	(159)
Improved recovery	14	8	97	–	1	10	–	70	6	206
Purchases of reserves-in-place	–	–	10	–	7	–	–	4	–	21
Discoveries and extensions	–	–	1	–	1	19	–	–	–	21
Production ^c	(41)	(12)	(162)	–	(13)	(68)	–	(50)	(9)	(355)
Sales of reserves-in-place	(34)	–	(34)	–	(29)	(12)	–	(31)	–	(140)
	(62)	1	(61)	–	(27)	(119)	–	(138)	–	(406)
At 31 December 2011 ^d										
Developed	288	69	1,685	–	27	311	–	177	59	2,616
Undeveloped	445	230	1,173	–	48	315	–	279	47	2,537
	733	299	2,858	–	75	626	–	456	106	5,153
Equity-accounted entities (BP share) ^e										
At 1 January 2011										
Developed	–	–	–	–	408	–	2,388	370	–	3,166
Undeveloped	–	–	–	–	407	12	1,362	24	–	1,805
	–	–	–	–	815	12	3,750	394	–	4,971
Changes attributable to										
Revisions of previous estimates	–	–	–	–	(12)	2	677	(5)	–	662
Improved recovery	–	–	–	–	70	–	73	–	–	143
Purchases of reserves-in-place	–	–	–	–	98	–	–	1	–	99
Discoveries and extensions	–	–	–	–	–	–	25	–	–	25
Production	–	–	–	–	(30)	–	(316)	(76)	–	(422)
Sales of reserves-in-place	–	–	–	–	(244)	–	–	–	–	(244)
	–	–	–	–	(118)	2	459	(80)	–	263
At 31 December 2011 ^{f,g}										
Developed	–	–	–	–	349	–	2,596	256	–	3,201
Undeveloped	–	–	–	–	348	14	1,613	58	–	2,033
	–	–	–	–	697	14	4,209	314	–	5,234
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2011										
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
At 31 December 2011										
Developed	288	69	1,685	–	376	311	2,596	433	59	5,817
Undeveloped	445	230	1,173	–	396	329	1,613	337	47	4,570
	733	299	2,858	–	772	640	4,209	770	106	10,387

^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 82 million barrels upon 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 28,000 barrels per day.

^dIncludes 616 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.

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

^fIncludes 19 million barrels of NGLs. Also includes 310 million barrels of crude oil in respect of the 7.37% minority interest in TNK-BP.

^gTotal proved liquid reserves held as part of our equity interest in TNK-BP is 4,305 million barrels, comprising 95 million barrels in Venezuela, one million barrels in Vietnam and 4,209 million barrels in Russia. In 2011, BP aligned its reporting with TNK-BP by moving to a life-of-field reporting basis. Reasonable certainty of licence renewals is demonstrated by evidence of Russian subsoil law, track record of renewals within the industry and track record of success in obtaining renewals by TNK-BP. This has resulted in an increase in proved liquid reserves of 221 million barrels.

Movements in estimated net proved reserves continued

Natural gas ^a	billion cubic feet									
	2011									
	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 2011										
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
Changes attributable to										
Revisions of previous estimates	169	30	–	(9)	202	(206)	–	69	299	554
Improved recovery	56	1	597	–	84	15	–	28	22	803
Purchases of reserves-in-place	8	–	93	7	–	–	–	310	–	418
Discoveries and extensions	–	–	219	–	47	–	–	–	–	266
Production ^b	(146)	(8)	(737)	(5)	(811)	(232)	–	(244)	(291)	(2,474)
Sales of reserves-in-place	(12)	–	(363)	(23)	(274)	–	–	(323)	–	(995)
	75	23	(191)	(30)	(752)	(423)	–	(160)	30	(1,428)
At 31 December 2011 ^c										
Developed	1,411	43	9,721	28	2,869	1,224	–	1,034	3,570	19,900
Undeveloped	909	450	3,831	–	6,529	2,033	–	364	2,365	16,481
	2,320	493	13,552	28	9,398	3,257	–	1,398	5,935	36,381
Equity-accounted entities (BP share) ^d										
At 1 January 2011										
Developed	–	–	–	–	1,075	–	1,900	71	–	3,046
Undeveloped	–	–	–	–	1,192	175	459	19	–	1,845
	–	–	–	–	2,267	175	2,359	90	–	4,891
Changes attributable to										
Revisions of previous estimates	–	–	–	–	(75)	20	683	(3)	–	625
Improved recovery	–	–	–	–	190	–	–	12	–	202
Purchases of reserves-in-place	–	–	–	–	31	–	–	76	–	107
Discoveries and extensions	–	–	–	–	–	–	–	–	–	–
Production ^b	–	–	–	–	(167)	–	(264)	(20)	–	(451)
Sales of reserves-in-place	–	–	–	–	(96)	–	–	–	–	(96)
	–	–	–	–	(117)	20	419	65	–	387
At 31 December 2011 ^{e,f}										
Developed	–	–	–	–	1,144	–	2,119	104	–	3,367
Undeveloped	–	–	–	–	1,006	195	659	51	–	1,911
	–	–	–	–	2,150	195	2,778	155	–	5,278
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2011										
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
At 31 December 2011										
Developed	1,411	43	9,721	28	4,013	1,224	2,119	1,138	3,570	23,267
Undeveloped	909	450	3,831	–	7,535	2,228	659	415	2,365	18,392
	2,320	493	13,552	28	11,548	3,452	2,778	1,553	5,935	41,659

^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 196 billion cubic feet of natural gas consumed in operations, 155 billion cubic feet in subsidiaries, 41 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 2,759 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 174 billion cubic feet of natural gas in respect of the 6.27% minority interest in TNK-BP.

^f Total proved gas reserves held as part of our equity interest in TNK-BP is 2,881 billion cubic feet, comprising 30 billion cubic feet in Venezuela, 73 billion cubic feet in Vietnam and 2,778 billion cubic feet in Russia. In 2011, BP aligned its reporting with TNK-BP by moving to a life-of-field reporting basis. Reasonable certainty of licence renewals is demonstrated by evidence of Russian subsoil law, track record of renewals within the industry and track record of success in obtaining renewals by TNK-BP. This has resulted in an increase in proved gas reserves of 185 billion cubic feet.

Movements in estimated net proved reserves continued

	million barrels	
	2011	
	Rest of North America	Total
Bitumen^a		
Equity-accounted entities (BP share)		
At 1 January 2011		
Developed	–	–
Undeveloped	179	179
	179	179
Changes attributable to		
Revisions of previous estimates	(1)	(1)
Improved recovery	–	–
Purchases of reserves-in-place	–	–
Discoveries and extensions	–	–
Production	–	–
Sales of reserves-in-place	–	–
	(1)	(1)
At 31 December 2011		
Developed	–	–
Undeveloped	178	178
	178	178

^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									
	Europe		North America		South America	Africa	Asia		Australasia	2011 Total
	UK	Rest of Europe	US ^c	Rest of North America			Russia	Rest of Asia		
At 1 January 2011										
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
Changes attributable to										
Revisions of previous estimates	28	10	27	(2)	41	(103)	–	(119)	55	(63)
Improved recovery	24	8	200	–	15	12	–	75	10	344
Purchases of reserves-in-place	1	–	26	2	7	–	–	58	–	94
Discoveries and extensions	–	–	39	–	9	19	–	–	–	67
Production ^{d,e}	(66)	(13)	(289)	(1)	(153)	(108)	–	(92)	(59)	(781)
Sales of reserves-in-place	(36)	–	(97)	(4)	(76)	(12)	–	(87)	–	(312)
	(49)	5	(94)	(5)	(157)	(192)	–	(165)	6	(651)
At 31 December 2011 ^f										
Developed	531	76	3,362	5	522	522	–	355	675	6,048
Undeveloped	602	308	1,833	–	1,173	665	–	342	455	5,378
	1,133	384	5,195	5	1,695	1,187	–	697	1,130	11,426
Equity-accounted entities (BP share) ^g										
At 1 January 2011										
Developed	–	–	–	–	593	–	2,716	382	–	3,691
Undeveloped	–	–	–	179	613	43	1,441	27	–	2,303
	–	–	–	179	1,206	43	4,157	409	–	5,994
Changes attributable to										
Revisions of previous estimates	–	–	–	(1)	(25)	5	795	(5)	–	769
Improved recovery	–	–	–	–	103	–	73	2	–	178
Purchases of reserves-in-place	–	–	–	–	103	–	–	14	–	117
Discoveries and extensions	–	–	–	–	–	–	25	–	–	25
Production ^{d,e}	–	–	–	–	(59)	–	(362)	(80)	–	(501)
Sales of reserves-in-place	–	–	–	–	(260)	–	–	–	–	(260)
	–	–	–	(1)	(138)	5	531	(69)	–	328
At 31 December 2011 ^{h,i}										
Developed	–	–	–	–	546	–	2,961	274	–	3,781
Undeveloped	–	–	–	178	522	48	1,727	66	–	2,541
	–	–	–	178	1,068	48	4,688	340	–	6,322
Total subsidiaries and equity-accounted entities (BP share)										
At 1 January 2011										
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
At 31 December 2011										
Developed	531	76	3,362	5	1,068	522	2,961	629	675	9,829
Undeveloped	602	308	1,833	178	1,695	713	1,727	408	455	7,919
	1,133	384	5,195	183	2,763	1,235	4,688	1,037	1,130	17,748

^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 82 million barrels of oil equivalent upon 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 28,000 barrels of oil equivalent per day.

^e Includes 34 million barrels of oil equivalent of natural gas consumed in operations, 27 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 616 million barrels of NGLs. Also includes 496 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 19 million barrels of NGLs. Also includes 340 million barrels of oil equivalent in respect of the minority interest in TNK-BP.

ⁱ Total proved reserves held as part of our equity interest in TNK-BP is 4,802 million barrels of oil equivalent, comprising 100 million barrels of oil equivalent in Venezuela, 14 million barrels of oil equivalent in Vietnam and 4,688 million barrels of oil equivalent in Russia. In 2011, BP aligned its reporting with TNK-BP by moving to a life-of-field reporting basis. Reasonable certainty of licence renewals is demonstrated by evidence of Russian subsoil law, track record of renewals within the industry and track record of success in obtaining renewals by TNK-BP. This has resulted in an increase in proved reserves of 253 million barrels of oil equivalent.

Group production interests – liquids

		thousand barrels per day				
		BP net share of production ^a				
		2007	2008	2009	2010	2011
Subsidiaries						
	Field or area					
UK ^b	ETAP ^c	32	27	34	28	22
	Foinaven ^d	37	26	29	24	26
	Other	132	120	105	85	65
Total UK		201	173	168	137	113
Norway ^b	Various	51	43	40	40	32
Total Rest of Europe		51	43	40	40	32
Total Europe		252	216	208	177	145
Alaska	Prudhoe Bay ^d	74	72	69	67	64
	Kuparuk	52	48	45	42	39
	Milne Point ^d	28	27	24	23	19
	Other	55	50	43	34	31
Total Alaska		209	197	181	166	153
Lower 48 onshore ^b	Various	108	97	97	90	69
Gulf of Mexico deepwater ^b	Thunder Horse ^d	–	24	133	120	77
	Atlantis ^d	2	42	54	49	34
	Mad Dog ^d	25	31	35	30	8
	Mars	30	28	29	23	19
	Na Kika ^d	32	29	27	25	14
	Horn Mountain ^d	18	18	25	14	8
	King ^d	22	23	22	21	15
	Other	67	49	62	56	56
Total Gulf of Mexico deepwater		196	244	387	338	231
Total US		513	538	665	594	453
Canada ^b	Various ^d	8	9	8	7	2
Total Rest of North America		8	9	8	7	2
Total North America		521	547	673	601	455
Colombia ^b	Various ^d	28	24	23	18	1
Trinidad & Tobago	Various ^d	30	38	38	36	31
Venezuela ^b	Various	16	4	–	–	–
Brazil ^b	Various	–	–	–	–	7
Total South America		74	66	61	54	39
Angola	Greater Plutonio ^d	12	69	70	73	51
	Kizomba C Dev	–	30	43	31	21
	Dalia	31	34	32	20	12
	Girassol FPSO	20	22	22	18	12
	Other	77	46	44	28	27
Total Angola		140	201	211	170	123
Egypt ^b	Gupco	36	41	55	47	34
	Other	7	16	16	12	11
Total Egypt		43	57	71	59	45
Algeria ^b	Various	12	19	22	17	22
Total Africa		195	277	304	246	190
Azerbaijan ^b	Azeri-Chirag-Gunashli ^d	200	97	94	94	86
	Other	5	8	7	9	8
Total Azerbaijan		205	105	101	103	94
Western Indonesia ^b	Various	7	7	5	2	2
Iraq	Rumaila	–	–	–	–	31
Other	Various	16	16	17	14	11
Total Rest of Asia ^b		228	128	123	119	138
Total Asia		228	128	123	119	138
Australia	Various	34	29	31	30	23
Other	Various	–	–	–	2	2
Total Australasia		34	29	31	32	25
Total subsidiaries ^e		1,304	1,263	1,400	1,229	992
Equity-accounted entities (BP share)						
Russia – TNK-BP ^b	Various	832	826	840	856	865
Total Russia		832	826	840	856	865
Abu Dhabi ^f	Various	192	210	182	190	209
Other	Various	9	10	12	1	1
Total Rest of Asia ^b		201	220	194	191	210
Total Asia		1,033	1,046	1,034	1,047	1,075
Argentina	Various	69	70	75	75	74
Venezuela ^b	Various	6	19	25	23	16
Bolivia ^b	Various	2	3	1	–	–
Total South America		77	92	101	98	90
Total equity-accounted entities		1,110	1,138	1,135	1,145	1,165
Total subsidiaries and equity-accounted entities		2,414	2,401	2,535	2,374	2,157

^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 2011, BP sold its holdings in Venezuela and Vietnam to TNK-BP. It also made acquisitions in India, through a joint venture with Reliance, Brazil and additional volumes in the US Gulf of Mexico and UK North Sea. BP divested its holdings in Pompano along with other interests in the US Gulf of Mexico, Tuscaloosa (Louisiana) and interests in South Texas in the US onshore, a portion of our interest in the Azeri-Chirag-Gunashli development in Azerbaijan, Wytch farm in the UK, our interests in the REB field in Algeria, and the remainder of our interests in Colombia and Pakistan. 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 King field 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.

^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 28 net mboe/d of NGLs from processing plants in which BP has an interest (2010 29mboe/d, 2009 28mboe/d, 2008 19mboe/d and 2007 54mboe/d).

^f The BP group holds interests, through associates, in onshore and offshore concessions in Abu Dhabi, expiring in 2014 and 2018 respectively.

Group production interests – natural gas

Subsidiaries	
	Field or area
UK ^b	Bruce/Rhum ^c
	Other
Total UK	
Netherlands ^b	Various
Norway ^b	Various
Total Rest of Europe	
Total Europe	
Lower 48 onshore ^b	San Juan ^c
	Anadarko
	Jonah ^c
	Arkoma Central
	Arkoma West
	Arkoma East
	Wamsutter ^c
	Other
Total Lower 48 onshore	
Gulf of Mexico deepwater ^b	Various
Alaska	Various
Total US	
Canada ^b	Various
Total Rest of North America	
Total North America	
Trinidad & Tobago	Mango ^c
	Cashima/NEQB ^c
	Kapok ^c
	Cannonball ^c
	Amherstia ^c
	Other ^c
Total Trinidad	
Colombia ^b	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	
India ^b	KGD6
	Other
Total India	
China	Yacheng
Vietnam ^b	Various ^c
Oman	
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
Vietnam ^b	
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				
2007	2008	2009	2010	2011
161	165	110	100	20
607	594	508	372	335
768	759	618	472	355
3	–	–	–	–
26	23	16	15	13
29	23	16	15	13
797	782	634	487	368
694	682	659	629	603
140	150	146	137	141
173	221	227	185	145
204	240	194	164	136
–	–	65	128	109
–	–	67	112	115
120	136	146	126	122
519	457	451	394	274
1,850	1,886	1,955	1,875	1,645
269	230	303	263	176
55	41	58	46	22
2,174	2,157	2,316	2,184	1,843
255	245	263	202	14
255	245	263	202	14
2,429	2,402	2,579	2,386	1,857
22	471	664	544	308
6	375	571	679	570
984	619	540	541	464
628	336	225	156	99
155	288	197	252	296
638	357	233	301	456
2,433	2,446	2,430	2,473	2,193
104	84	62	71	4
6	2	–	–	–
2,543	2,532	2,492	2,544	2,197
118	109	118	90	74
108	94	94	73	99
–	24	73	75	61
89	145	177	192	210
315	372	462	430	444
153	112	159	126	114
468	484	621	556	558
121	162	173	150	73
73	143	126	132	140
75	69	71	69	59
81	97	35	1	–
156	166	106	70	59
–	–	–	–	121
–	–	–	–	25
–	–	–	–	146
85	91	83	95	70
82	61	63	77	69
–	–	–	–	20
92	73	59	50	41
609	696	610	574	618
609	696	610	574	618
193	229	142	165	170
107	74	139	118	72
–	6	120	133	126
76	71	39	46	87
376	380	440	462	455
–	1	74	323	340
376	381	514	785	795
7,222	7,277	7,450	7,332	6,393
451	564	601	640	699
451	564	601	640	699
33	31	31	30	26
–	–	–	–	8
8	8	11	–	–
41	39	42	30	34
492	603	643	670	733
369	385	378	379	371
60	63	11	11	14
–	6	3	9	7
429	454	392	399	392
921	1,057	1,035	1,069	1,125
8,143	8,334	8,485	8,401	7,518

^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 2011, BP sold its holdings in Venezuela and Vietnam to TNK-BP. It also made acquisitions in India through a joint venture with Reliance, in the Eagle Ford shale in North America and additional volumes in the US Gulf of Mexico. BP divested its holdings in Pompano along with other interests in the US Gulf of Mexico, Tuscaloosa (Louisiana) and interests in South Texas in the US onshore, Wytch farm in the UK, minor volumes in Canada, and the remainder of our interests in Colombia and Pakistan. 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 King field in the Gulf of Mexico. It also acquired an increased holding in 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.

^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				
	2007	2008	2009	2010	2011
US	888	910	1,064	970	771
Europe	389	351	317	261	209
Russia	910	923	944	967	985
Rest of World	1,631	1,654	1,673	1,624	1,489
Total group including equity-accounted entities	3,818	3,838	3,998	3,822	3,454

BP average liquids realizations^a

	\$ per barrel				
	2007	2008	2009	2010	2011
US	64.18	89.22	53.68	70.79	96.34
Europe	69.42	90.61	61.91	77.39	107.10
Rest of World	69.56	91.05	57.29	75.23	104.83
BP average	67.45	90.20	56.26	73.41	101.29

^a Crude oil and NGLs.

BP average natural gas realizations

	\$ thousand cubic feet				
	2007	2008	2009	2010	2011
US	5.43	6.77	3.07	3.88	3.34
Europe	6.38	8.37	4.75	5.49	8.09
Rest of World	3.71	5.19	3.14	3.86	4.98
BP average	4.53	6.00	3.25	3.97	4.69

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
Indonesia	Tangguh Trains 1-2	7.6	37.2	2.8	Mexico, China, Korea
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)
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
2011	1,561	364	416	67	2,408

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
Stena Crystal Sky	Operational	Time-charter	3Q 2011	170,000
Total				1,344,500

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

Upstream

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Upstream

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

At the end of 2010, as part of our response to the Deepwater Horizon oil spill, we announced the decision to reorganize the Upstream segment to create three separate divisions: exploration, developments and production, integrated through a strategy and integration organization. This structure was established in March 2011 and each of the four parts is led by an executive vice president reporting directly to the group chief executive. The new organization is designed to change the way we operate, with a particular focus on managing risk, delivering common standards and processes and building technical capability.

We operate in 30 countries and employ approximately 22,200 people. In Upstream, our highest 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 material, enduring positions in the world's key hydrocarbon basins with a focus on deepwater, gas value chains and giant fields. Our strategy is enabled by:

- A continued focus on safety and managing 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.
- Actively managing our portfolio.

We intend to increase investment with a focus on exploration, a key source of value creation, and evolve the nature of our relationships, particularly with national oil companies.

2011 was the 19th consecutive year that we replaced more reserves of oil and gas than we produced, delivering reported reserves replacement of 103%.^a

We continually seek access to resources and in 2011 this included licence and contract awards in Angola, Australia, Azerbaijan, China, the Gulf of Mexico, Indonesia and Trinidad. We also gained approval for our exploration plan for the Kaskida field in the Gulf of Mexico – our first drilling permit for an exploration well in the US since the Deepwater Horizon oil spill.

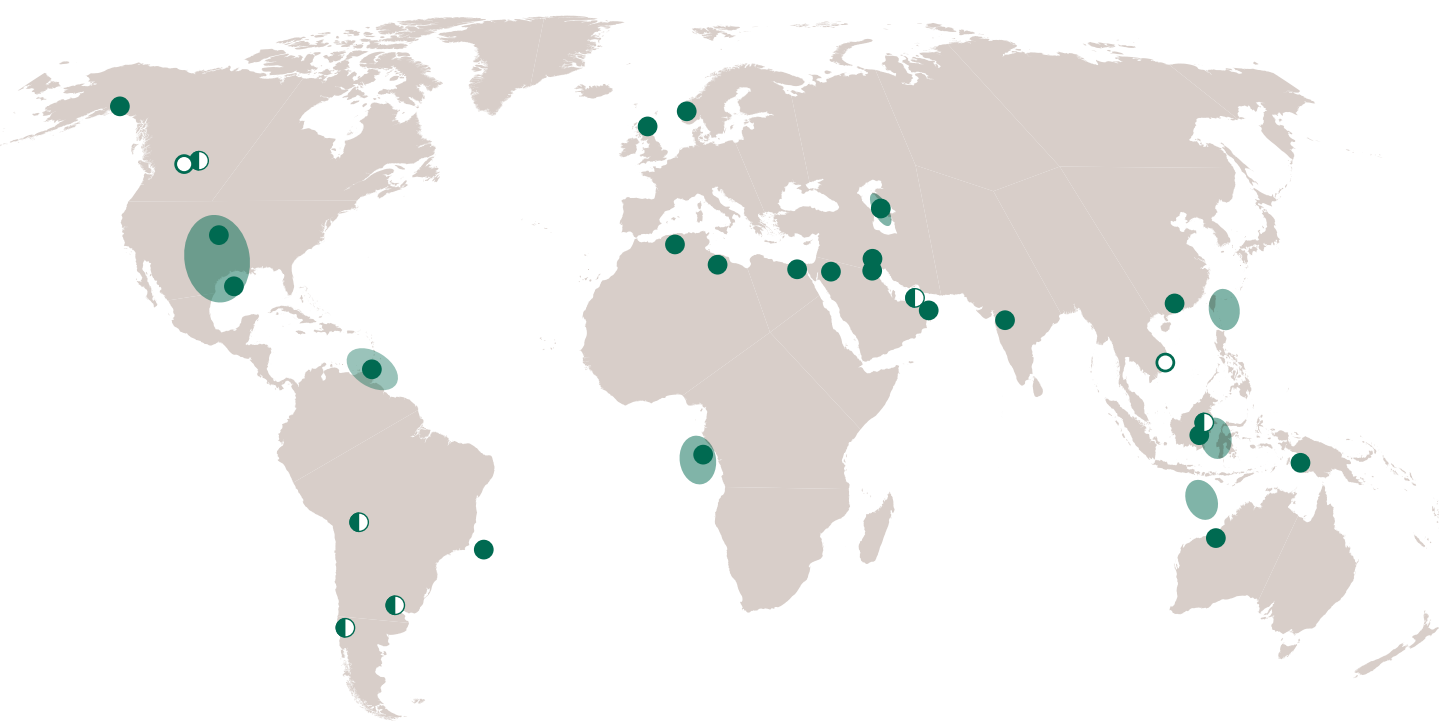
In September 2011, we announced the Moccasin oil discovery in the deepwater Gulf of Mexico (not BP-operated) and in October 2011, we announced the Salmon gas discovery in Egypt's Nile Delta. We also took final investment decisions on three projects and two major projects came onstream: Serrette in Trinidad and Pazflor in Angola.

In 2011, we acquired from Reliance Industries Limited (Reliance) a 30% interest in each of 21 oil and gas production-sharing agreements operated by Reliance in India for \$7.0 billion. We also completed the purchase, for \$3.6 billion, of 10 exploration and production blocks in Brazil, which was the final part of a \$7-billion transaction with Devon Energy that had been announced in March 2010. In addition, we increased to 100% our working interests in the Marlin and Dorado producing fields in the Gulf of Mexico.

Disposal transactions generated \$1.1 billion in proceeds during 2011 including repayment of the \$3.5-billion disposal deposit relating to Pan American Energy received in 2010.

^a 83% when excluding 2011 move to life-of-field measurement in TNK-BP.

Key operating sites as at 31 December 2011



- Key to map**
- Upstream segment**
- BP subsidiary.
 - Equity-accounted entity.
 - Assets held for sale at the end of 2011.
 - The shaded areas indicate new access success in 2011.

Key indicators^a

	2007	2008	2009	2010	2011
Result and oil price					
Replacement cost profit before interest and tax (\$ million) ^b	25,331	36,046	22,852	28,269	26,366
Underlying replacement cost profit before interest and tax (\$ million) ^b	24,792	37,318	19,668	25,073	25,225
BP average liquids realizations (\$/bbl) ^{c d}	67.45	90.20	56.26	73.41	101.29
Finding and development costs (\$ per barrel of oil equivalent (\$/boe), five-year rolling average)^{e f g}	13.64	16.41	16.32	17.25	17.49
Finding costs (\$/boe, five-year rolling average) ^{e g h}	2.33	3.56	5.31	5.33	5.88
Production costs (\$/boe) ^{i j}	7.14	7.24	6.39	6.77	10.08
Cost of supply (\$/boe) ^k	15.94	16.75	16.66	16.51	22.69
Net income per barrel of oil equivalent (\$/boe)					
BP subsidiaries and equity-accounted entities excluding TNK-BP (\$/boe) ^l	14.43	21.14	11.08	15.33	16.95
Range of other oil majors					
Maximum (\$/boe)	17.14	23.23	11.80	17.30	25.14
Minimum (\$/boe)	12.35	17.68	7.20	11.90	16.20
Reserves replacement					
BP subsidiaries (%)	44	116	112	74	45
BP subsidiaries and equity-accounted entities (%) ^m	112	121	129	106	103
Range of other oil majors ⁿ					
Maximum (%)	119	139	252	138	171
Minimum (%)	15	29	70	22	84

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

^bIncludes equity-accounted entities.

^cCrude oil and NGLs.

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

^eReserves calculated on an SEC basis.

^fFinding costs are described in footnote h. Development costs as disclosed in the exploration and production activities on pages 36-43, 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.

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

^hFinding 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 36-43.

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

^jBased on production volumes.

^kCost of supply comprises exploration expenditure, production costs and depreciation, depletion and amortization as disclosed in the exploration and production activities tables on pages 36-43.

^lPost-tax income derived from Upstream activities divided by the number of barrels of oil equivalent produced (including equity-accounted entities but excluding TNK-BP).

^mIncludes reserves replacement in TNK-BP, which for 2011 included the effect of moving from life-of-licence measurement to life-of-field measurement, reflecting TNK-BP's track record of successful licence renewal. Excluding this effect, our 2011 reserves replacement ratio excluding acquisitions and disposals would have been 83%.

ⁿBP estimates of reserves replacement of other oil majors.

Financial statistics

	\$ million				
	2007	2008	2009	2010	2011
Replacement cost profit before interest and tax					
US	7,929	11,724	6,685	9,684	6,196
Non-US	17,402	24,322	16,167	18,585	20,170
	25,331	36,046	22,852	28,269	26,366
Underlying replacement cost profit before interest and tax					
US	7,637	12,286	5,853	8,353	6,108
Non-US	17,155	25,032	13,815	16,720	19,117
	24,792	37,318	19,668	25,073	25,225
Operating capital employed					
US	30,341	35,807	39,209	40,065	41,347
Non-US	54,278	56,950	61,945	66,207	64,450
	84,619	92,757	101,154	106,272	105,797
Sales and other operating revenues	65,740	86,170	57,626	66,266	75,475
Capital expenditure and acquisitions					
US	5,096	10,359	6,169	6,632	5,363
Non-US	9,111	11,868	8,727	11,121	20,172
	14,207	22,227	14,896	17,753	25,535
Employee numbers at year end	21,800	21,400	21,500	21,100	22,200
BP average realizations					
BP average liquids realizations (\$/bbl) ^a	67.45	90.20	56.26	73.41	101.29
BP average natural gas realizations (\$/mcf)	4.53	6.00	3.25	3.97	4.69
Marker prices					
Brent oil (\$/bbl)	72.39	97.26	61.67	79.50	111.26
Alaska North Slope oil (\$/bbl)	71.68	98.86	62.49	79.92	110.12
West Texas Intermediate (\$/bbl)	72.20	100.06	61.92	79.45	95.04
Mars oil (\$/bbl)	66.58	93.95	60.50	78.04	107.54
Henry Hub gas price (\$ per million British thermal units) ^b	6.86	9.04	3.99	4.39	4.04

^aCrude oil and NGLs.^bHenry Hub First of Month Index.

Exploration interests

By geographical area

Oil and natural gas acreage at 31 December

Oil and natural gas acreage at 31 December												thousand acres
			Europe		North America		South America	Africa	Asia		Australasia	Total
			UK	Rest of Europe	US	Rest of North America			Russia	Rest of Asia		
2011												
Developed	– gross		334	65	7,350	228	1,718	560	1,618	1,952	162	13,987
	– net		182	21	4,266	111	450	207	723	384	35	6,379
Undeveloped ^a	– gross		1,276	186	7,210	6,273	10,064	27,000	33,704	56,189	18,641	160,543
	– net		764	79	4,798	4,253	4,571	17,895	14,712	17,890	13,452	78,414
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

^aUndeveloped 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		
2011											
Exploratory	Productive	0.4	–	34.1	–	4.4	2.1	16.7	1.0	0.2	58.9
	Dry	–	–	2.1	–	0.2	–	7.2	0.3	0.3	10.1
Development	Productive	1.7	–	199.4	–	101.3	16.0	582.0	45.1	–	945.5
	Dry	–	–	0.2	–	3.0	2.7	–	0.4	–	6.3
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	0.0	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	0.0	–	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

^aNumber 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 2011

		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	197	73	2,629	36	3,764	566	20,308	1,750	13	29,336
	Net	97	28	1,063	18	2,090	429	9,131	315	2	13,173
Gas wells ^b	Gross	273	–	24,986	376	467	122	72	589	68	26,953
	Net	137	–	12,863	185	152	47	36	219	14	13,653

^aIncludes approximately 3,866 gross (1,702 net) multiple completion wells (more than one formation producing into the same well bore).

^bIncludes approximately 2,683 gross (1,689 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 2011^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	–	108.0	3.0	6.0	1.0	22.0	–	–	141.0
	Net	0.1	–	30.5	1.5	2.3	0.2	10.5	–	–	45.1
Development	Gross	6.0	1.0	748.0	36.0	16.0	36.0	209.0	37.0	–	1,089.0
	Net	4.2	0.4	235.7	18.0	9.2	13.2	101.2	10.3	–	392.2

^aIncludes suspended development and long-term suspended exploratory wells.

Downstream

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capacities

81 Petrochemicals production

Downstream

Our Downstream segment is responsible for the refining, manufacturing, marketing, transportation, and supply and trading of crude oil, petroleum, petrochemicals products and related services to wholesale and retail customers.

The Downstream segment is the product and service-led arm of BP, focused on fuels, lubricants and petrochemicals.

We have significant operations in Europe, North America and Asia, and we also manufacture and market our products across Australasia, southern Africa and Central and South America; in total we market our products in more than 70 countries.

The fuels businesses sell refined petroleum products including gasoline, diesel, aviation fuel and liquefied petroleum gas (LPG). Within this, the fuels value chains (FVCs) integrate the activities of refining, logistics, marketing, and supply and trading on a regional basis. This recognizes the geographic nature of the markets in which we compete, providing the opportunity to optimize our activities from crude oil purchases to end-consumer sales through our physical assets (refineries, terminals, pipelines and retail stations). In addition, we operate a global aviation fuels marketing business and an LPG marketing business.

Our lubricants business is involved in manufacturing and marketing lubricants and related services to markets around the world. We market lubricants to the automotive, industrial, marine, aviation and energy markets through our key brands of Castrol, BP and Aral. Our Castrol brand is a highly-recognized and popular lubricant brand worldwide. Distinctive brands, cutting-edge technology and building and sustaining customer relationships are cornerstones of approach to market and underpin our success. We are particularly strong in Europe and key Asia Pacific markets including India.

Our petrochemicals business operates on a global basis and includes the manufacture and marketing of petrochemicals that are used in many everyday products, such as plastic bottles and textiles for clothing. Technology is at the heart of our business and we own proprietary world-class technology for each of our main products. Our technological advantage, operational experience and project execution track record have made us an attractive partner which leads to material and distinctive growth opportunities. Petrochemicals growth is focused on the demand centre of Asia.

In Downstream, we are focused on a consistent set of priorities executed in a systematic and disciplined way. These priorities begin with safety and include excellence of execution, portfolio quality and integration, and growing margin share via exposure to growth. This is all underpinned

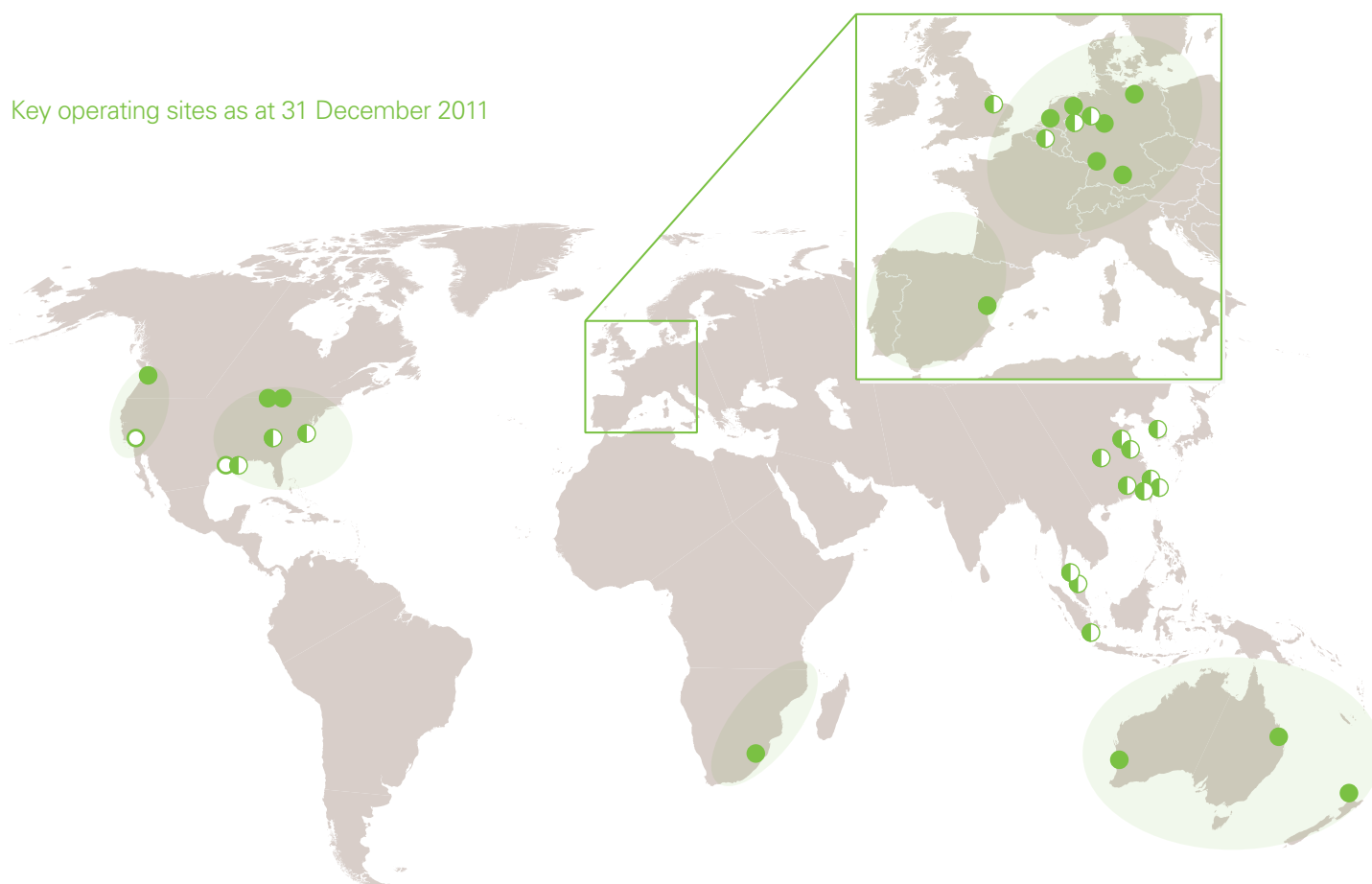
by a disciplined financial framework. We believe that we now have a platform to sustain a world-class downstream business, which will enable us to be a leader in each of the markets in which we choose to participate. Over time, we expect to shift the balance of participation and capital employed from established to growth regions.

In our fuels business, we are planning to dispose of our Texas City refinery and the southern part of the US West Coast FVC in 2012. We also plan to sell our bulk and bottled LPG marketing businesses in nine countries.

We are investing in our existing operations to sustain safety and compliance and are selectively investing in cash margin capture projects. The largest of these projects is the repositioning of the Whiting refinery towards heavy feedstock advantage, which is already under way and scheduled to come onstream in the second half of 2013. In addition to the repositioning of the Whiting refinery, margin capture projects include the Cherry Point refinery clean diesel project, Toledo refinery continuous catalytic reforming project, Gelsenkirchen refinery margin improvement programme and the recently announced Brazil aviation acquisition. We are also well positioned for growth in our lubricants and petrochemicals businesses; in our lubricants business, around half of our profit growth in recent years has come from the emerging economies in non-OECD countries, and in petrochemicals around 45% of our capacity is in the growing demand centre of Asia.

From 2012, we have provided additional transparency in our reporting and are now splitting out reporting of results in our fuels, lubricants and petrochemicals businesses to better demonstrate the quality of our downstream portfolio and the contribution of these businesses to the group.

Key operating sites as at 31 December 2011



Key to map

Downstream segment

- BP refinery (wholly or partly owned).
- ◐ Petrochemicals site(s) (wholly or partly owned).
- Proposed for disposal.
- The shaded areas indicate the approximate coverage of BP's integrated fuels value chains.

Lubricants and aviation marketing activity is not reflected on this map.

Key indicators

	2007	2008	2009	2010	2011
Result and refining margin					
Replacement cost profit before interest and tax (\$ million)	2,621	4,176	743	5,555	5,474
Underlying replacement cost profit before interest and tax (\$ million)	3,930	3,318	3,607	4,883	6,013
Refining marker margin ^a (\$/bbl)	17.24	15.11	9.19	10.02	11.64
Refining availability ^b (%)	82.9	88.8	93.6	95.0	94.8
Petrochemicals production (thousand tonnes)	14,320	12,835	12,660	15,594	14,866

Refining marker margin by region^a

	\$ per barrel				
	2007	2008	2009	2010	2011
US West Coast	23.93	16.35	13.40	13.09	13.63
US Gulf Coast	20.78	16.97	9.16	10.17	11.87
US Midwest	14.70	8.50	6.02	6.00	7.46
North West Europe	14.43	17.22	8.95	10.36	11.85
Mediterranean	13.04	14.27	7.93	8.82	9.03
Singapore	14.96	16.99	8.51	10.69	14.57
BP Average RMM	17.24	15.11	9.19	10.02	11.64

^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.

Employee numbers

	2007	2008	2009	2010	2011
Non-service station staff	42,700	40,300	37,700	37,100	36,400
Service station staff ^a	24,500	21,200	13,900	15,200	14,600
	67,200	61,500	51,600	52,300	51,000

^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.

Financial statistics

	\$ million				
	2007	2008	2009	2010	2011
Replacement cost profit (loss) before interest and tax					
US	(1,232)	(644)	(2,578)	935	1,415
Non-US	3,853	4,820	3,321	4,620	4,059
	2,621	4,176	743	5,555	5,474
Underlying replacement cost profit (loss) before interest and tax					
US	114	(1,689)	(557)	564	1,977
Non-US	3,816	5,007	4,164	4,319	4,036
	3,930	3,318	3,607	4,883	6,013
Replacement cost profit (loss) before interest and tax					
Fuels	1,442	2,885	(914)	2,628	3,003
Lubricants	686	967	1,059	1,357	1,350
Petrochemicals	493	324	598	1,570	1,121
	2,621	4,176	743	5,555	5,474
Non-operating items and fair value accounting effects					
Fuels	(948)	995	(2,655)	381	(640)
Lubricants	(26)	(54)	(171)	(47)	100
Petrochemicals	(335)	(83)	(38)	338	1
	(1,309)	858	(2,864)	672	(539)
Underlying replacement cost profit before interest and tax					
Fuels	2,390	1,890	1,741	2,247	3,643
Lubricants	712	1,021	1,230	1,404	1,250
Petrochemicals	828	407	636	1,232	1,120
	3,930	3,318	3,607	4,883	6,013
Operating capital employed					
US	17,748	15,904	20,114	23,463	24,663
Non-US	30,163	25,295	26,387	24,959	26,282
	47,911	41,199	46,501	48,422	50,945
Sales and other operating revenues	250,221	320,039	213,050	266,751	344,116
Property, plant and equipment (net book value)					
US	9,440	10,608	12,497	14,151	11,303
Non-US	15,030	14,016	14,616	13,996	13,483
	24,470	24,624	27,113	28,147	24,786
Capital expenditure and acquisitions					
US	1,872	4,297	2,625	2,761	2,590
Non-US	3,623	2,337	1,489	1,268	1,540
	5,495	6,634	4,114	4,029	4,130

Refinery throughputs and utilization

Refinery throughputs^a

	thousand barrels per day				
	2007	2008	2009	2010	2011
US	1,064	1,121	1,238	1,350	1,277
Europe	758	739	755	775	771
Rest of World	305	295	294	301	304
	2,127	2,155	2,287	2,426	2,352
Crude distillation capacity at 31 December ^b	2,769	2,678	2,666	2,667	2,679
Refinery capacity utilization ^c	77%	81%	86%	91%	88%

^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.

Crude oil input^a

					%
	2007	2008	2009	2010	2011
Low sulphur crude ^b	48	44	44	42	43
High sulphur crude	52	56	56	58	57

^a Prior periods have been restated to align our definition of low sulphur crude with industry practice.

^b Low sulphur crude is a crude which has sulphur content of less than 0.5%.

Refinery yield^a

	thousand barrels per day				
	2007	2008	2009	2010	2011
Aviation fuels	231	268	276	290	304
Gasolines	788	757	818	881	844
Middle distillates	607	631	674	723	691
Fuel oil	115	127	123	93	114
Other products ^b	390	414	447	497	425
	2,131	2,197	2,338	2,484	2,378

^a Refinery yields exceed throughputs because of volumetric expansion.

^b Other products include lubricants, petrochemicals, bitumen and LPG.

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, distillates and heavier	Visbreaking	Coker	Aromatics and isomerization	Bitumen	Hydrogen ^d	Other ^e	Nelson Complexity Index ^f
Wholly and partly owned refineries at 31 December 2011																		
US																		
California	Carson	100.0	266	266	140	103	50	53	17	105	126	–	67	31	–	133	–	12.1
Washington	Cherry Point	100.0	234	234	106	–	65	65	–	97	49	–	62	24	–	135	–	9.6
Indiana	Whiting	100.0	413	413	194	165	–	64	25	95	262	–	35	26	30	39	–	8.6
Ohio	Toledo	50.0	160	80	36	28	16	22	6	20	34	–	17	–	5	28	–	11.0
Texas	Texas City	100.0	475	475	237	182	130	138	37	212	243	–	33	95	–	7	–	15.3
			1,548	1,468	713	478	261	342	85	529	714	–	214	176	35	342	–	11.7
Europe																		
Germany	Bayernoil ^g	22.5	218	49	16	11	9	9	–	24	20	4	–	–	3	17	1	8.3
	Gelsenkirchen	50.0	265	132	80	15	29	16	–	36	51	10	17	10	8	101	–	9.9
	Karlsruhe ^g	12.0	322	39	16	10	–	7	2	15	27	–	4	4	–	8	1	10.2
	Lingen	100.0	93	93	43	–	29	30	–	31	45	–	23	25	–	128	–	14.7
	Schwedt ^g	18.8	239	45	29	11	–	7	2	18	35	9	–	5	1	7	1	10.8
Netherlands	Rotterdam	100.0	377	377	82	59	–	32	8	73	270	34	–	–	–	20	3	5.5
Spain	Castellón	100.0	110	110	47	30	–	17	3	57	85	–	20	19	–	45	–	9.8
			1,624	845	313	136	67	118	15	254	533	57	64	63	12	326	6	8.4
Rest of World																		
Australia	Bulwer	100.0	102	102	39	23	21	16	3	22	43	–	–	–	3	35	–	7.4
	Kwinana	100.0	146	146	22	35	–	25	7	49	52	–	–	16	2	–	–	6.0
New Zealand	Whangerej ^g	23.7	118	28	10	–	7	6	–	9	11	–	–	–	1	15	–	6.9
South Africa	Durban ^g	50.0	180	90	38	19	–	17	1	25	44	13	–	8	1	1	10	13.1
			546	366	109	77	28	64	11	105	150	13	–	24	7	51	10	8.2
			3,718	2,679	1,135	691	356	524	111	888	1,397	70	278	263	54	719	16	10.2

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

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

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

^dReported as standard cubic feet per day.

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

^fNelson Complexity Index is calculated using the factors published by the *Oil and Gas Journal* survey January 2012 and the capacities as shown in the table above. 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.

^gIndicates refineries not operated by BP.

Regional refining distillation capacity

	thousand barrels per day				
	2007	2008	2009	2010	2011
US Gulf Coast	475	475	475	475	475
US Midwest	560	483	485	485	493
US West Coast	500	500	499	500	500
Total US	1,535	1,458	1,459	1,460	1,468
Europe	866	851	851	844	845
Rest of World	368	369	356	363	366
Total	2,769	2,678	2,666	2,667	2,679

Retail sites^{a b}

	at 31 December				
	2007	2008	2009	2010	2011
US	12,200	11,700	11,500	11,300	11,300
Europe	8,600	8,600	8,600	8,400	8,200
Rest of World	2,500	2,300	2,300	2,400	2,300
	23,300	22,600	22,400	22,100	21,800

^aThe number of retail sites includes sites not operated by BP but instead operated by dealers, jobbers, franchisees or brand licensees 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				
	2007	2008	2009	2010	2011
Refined product marketing sales volumes by region					
US					
Aviation fuels	165	178	173	188	190
Gasolines	1,052	1,015	1,010	958	927
Middle distillates	260	201	186	228	217
Fuel oil	28	33	30	30	38
Other products ^e	28	33	27	29	29
	1,533	1,460	1,426	1,433	1,401
Europe					
Aviation fuels	223	220	231	264	251
Gasolines	384	337	324	259	240
Middle distillates	711	719	670	627	602
Fuel oil	202	180	158	147	109
Other products ^e	113	110	121	105	103
	1,633	1,566	1,504	1,402	1,305
Rest of World					
Aviation fuels	102	103	91	94	95
Gasolines	136	148	110	109	106
Middle distillates	148	135	156	157	156
Fuel oil	199	247	230	214	215
Other products ^e	55	52	43	36	33
	640	685	630	610	605
Total marketing sales volumes by product					
Aviation fuels	490	501	495	546	536
Gasolines	1,572	1,500	1,444	1,326	1,273
Middle distillates	1,119	1,055	1,012	1,012	975
Fuel oil	429	460	418	391	362
Other products ^e	196	195	191	170	165
	3,806	3,711	3,560	3,445	3,311
Total marketing sales ^b	3,806	3,711	3,560	3,445	3,311
Trading/supply sales ^c	1,818	1,987	2,327	2,482	2,465
Total refined product sales	5,624	5,698	5,887	5,927	5,776
Crude oil sales ^d	1,885	1,689	1,824	1,658	1,532
Total oil sales	7,509	7,387	7,711	7,585	7,308

^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.

^dCrude oil sales relate to transactions executed by our integrated supply and trading function, primarily for optimizing crude supplies to our refineries and other trading. In 2011, 79,000 barrels per day relate to revenues reported by Upstream.

^eOther products include lubricants and LPG.

Sales and other operating revenues from marketing sales of refined product

	\$ million				
	2007	2008	2009	2010	2011
US	76,898	93,764	63,442	80,576	111,020
Europe	87,719	114,522	71,189	88,347	108,302
Rest of World	30,362	40,275	31,457	40,298	54,618
	194,979	248,561	166,088	209,221	273,940

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	1,345
	Decatur	PTA	100.0	1,026
		Paraxylene (PX)	100.0	1,101
		Naphthalene dicarboxylate	100.0	29
	Texas City	Acetic acid	100.0 ^c	583 ^c
		PX	100.0	1,271
		Metaxylene	100.0	123
				5,478
Europe				
UK	Hull	Acetic acid	100.0	544
		Acetic anhydride	100.0	157
		Ethylidene diacetate	100.0	4
Belgium	Geel	PTA	100.0	1,330
		PX	100.0	631
Germany	Gelsenkirchen	Olefins and Derivatives (O&D)	50.0 to 61.0	1,837 ^{b d}
	Mülheim	Solvents	50.0	130 ^b
				4,633
Rest of World				
China	Caojing	O&D	50.0	3,230 ^b
	Chongqing	Acetic acid	51.0	217 ^b
		Esters	51.0	52 ^b
	Nanjing	Acetic acid	50.0	274 ^b
	Zhuhai	PTA	85.0	1,564 ^e
Indonesia	Merak	PTA	50.0	253 ^b
Korea	Ulsan	Acetic acid	51.0	267 ^b
		Vinyl acetate monomer	34.0	65 ^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	474 ^b
	Mai Liao	Acetic acid	50.0	181 ^b
				8,425
Total BP share of capacity at 31 December 2011				18,536

Petrochemicals production capacities summary

By geographical area	BP share of capacity thousand tonnes per year					
	PTA	PX	Acetic acid	Other	O&D	Total
US	2,371	2,372	583	152	–	5,478
Europe	1,330	631	544	161	1,967	4,633
Rest of World	3,748	–	1,330	117	3,230	8,425
Total BP share of capacity at 31 December 2011	7,449	3,003	2,457	430	5,197	18,536

^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 Group interest is quoted at 100% reflecting the capacity entitlement that 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^a

By geographical area	thousand tonnes				
	2007	2008	2009	2010	2011
US	4,328	3,487	3,110	4,146	4,029
Europe	3,909	3,574	3,724	4,051	3,854
Rest of World	6,083	5,774	5,826	7,397	6,983
	14,320	12,835	12,660	15,594	14,866

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

86 Operational and financial information

TNK-BP

TNK-BP is an integrated oil and gas company which is 50% owned by BP. TNK-BP primarily operates in Russia and Ukraine, but has recently broadened its asset base to include international operations.

TNK-BP is an equity-accounted associate owned by BP and three Russian investment groups: Alfa, Access and Renova (collectively known as AAR).

TNK-BP's strategic focus is on safely operating and profitably growing its extensive upstream and downstream businesses in Russia and Ukraine. TNK-BP is also focused on selectively growing its international businesses.

TNK-BP is one of the leaders in the Russian oil and gas industry. The company has a workforce of more than 50,000 people. The business is managed through two primary streams: Upstream and Downstream. BP is committed to TNK-BP's long-term success and supports the company with technology, project management and business processes.

TNK-BP's Upstream is one of the world's top ten non-state owned oil producers. The company owns interests in a number of oil and gas fields in Russia, Vietnam and Venezuela, which produced approximately 994mboe/d (BP share) in 2011. This was a 2.8% increase over 2010. Reserves additions since 2004 have totalled over 5.6 billion boe, representing a replacement ratio in excess of 200%. The majority of production comes from fields in the West Siberia and Orenburg regions, supplemented by growing output from new developments, such as Verkhnechonskoye and Uvat. TNK-BP has best-in-class capital expenditure efficiency in the Russian oil and gas industry, as demonstrated by high exploration success rates and low finding and development costs. New and innovative technologies are continuously being deployed to optimally manage the base production decline rates. Also, a new generation of oil and gas projects in the Yamal region is being prepared for development. In 2011, TNK-BP expanded internationally through the acquisition of BP's upstream interests in Vietnam and Venezuela. Also, TNK-BP announced a farm-in to a 45% non-operated interest in 21 exploration blocks in the Solimoes basin in Brazil.

In the Downstream, TNK-BP has interests in six refineries in Russia and Ukraine, with throughput of approximately 711,000 barrels per day in 2011. TNK-BP continues to invest in its refining assets with a focus on safe operations, delivery of new fuel specifications, and increasing light product yields. TNK-BP has over 1,400 branded retail stations in Russia and Ukraine. TNK-BP continues to grow its retail marketing business by adding both BP and TNK branded sites. In the Moscow region, the BP-branded retail network has the highest throughput in the industry. TNK-BP also markets LPG, bitumen and lubricants in Russia and Ukraine. TNK-BP's aviation fuels business is expanding its into-wing jet fuel sales and has taken an ownership stake in the fuelling facility at Moscow's Sheremetyevo International airport.

Commencing in 2012, TNK-BP will be reported as a separate segment in recognition of the relative size of its contribution to the group results and in reflection of how the investment in TNK-BP is managed separately from the Upstream segment.

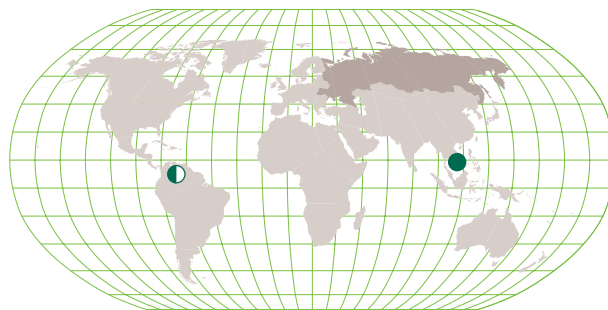
Key operating sites as at 31 December 2011



Key to map

TNK-BP segment

- TNK-BP upstream subsidiaries
- ◐ Equity-accounted upstream entities
- TNK-BP refineries
- ◐ Equity-accounted refineries
- ◐ The shaded areas indicate approximate coverage of TNK-BP's fuels marketing and retail operations



Operational and financial information

	2007	2008	2009	2010	2011
Production (BP share, net of royalties)					
Crude oil (thousand barrels per day)	832	826	840	856	871
Natural gas (million cubic feet per day)	451	564	601	640	710
Total hydrocarbons (thousand barrels of oil equivalent per day (mboe/d)) ^a	910	923	944	967	994
					\$ million
Income statement (BP share)					
Profit before interest and tax	3,743	3,588	3,178	3,866	5,992
Finance costs	(264)	(275)	(220)	(128)	(132)
Taxation	(993)	(882)	(871)	(913)	(1,333)
Minority interest	(215)	(169)	(139)	(208)	(342)
Net income ^b	2,271	2,262	1,948	2,617	4,185
Inventory holding gains, net of tax	–	–	–	–	(51)
Net income on a replacement cost basis	2,271	2,262	1,948	2,617	4,134
Balance sheet					
Investment in jointly controlled entities	8,817	8,939	–	–	–
Investment in associates	–	–	9,141	9,995	10,013
Cash flow					
Dividends received	1,300	2,140	1,656	1,780	3,747
Average oil marker prices					
					\$ per barrel
	2007	2008	2009	2010	2011
Urals (north-west Europe – CIF)	69.16	94.83	61.15	78.26	109.08
Russian domestic oil	39.81	45.59	31.32	36.96	49.57

Our investment in TNK-BP was reclassified from a jointly controlled entity to an associate with effect from 9 January 2009, the date that BP finalized a revised shareholder agreement with its Russian partners in TNK-BP, Alfa Access-Renova (AAR). The formerly evenly-balanced main board structure has been replaced by one with four representatives each from BP and AAR, plus three independent directors. The change in accounting classification from a jointly controlled entity to an associate reflected the ability of the independent directors of TNK-BP to decide on certain matters in the event of disagreement between the shareholder representatives on the board. The group's investment continues to be accounted for using the equity method.

^a Natural gas is converted to oil equivalent at 5.8 billion cubic feet = 1 million barrels.

^b 2009 includes a net gain of \$102 million related to the sale of TNK-BP's oil field services enterprises to Weatherford International.

Other businesses and corporate

88 Financial statistics

89 Alternative Energy

Financial statistics

Other businesses and corporate comprises the Alternative Energy business, Shipping, Treasury (which includes interest income on the group's cash and cash equivalents), and corporate activities worldwide. It also included the group's aluminium business until its disposal on 1 August 2011.

	\$ million				
	2007	2008	2009	2010	2011
Replacement cost profit (loss) before interest and tax					
US	(960)	(902)	(728)	(731)	(1,230)
Non-US	(249)	(321)	(1,594)	(785)	(1,248)
	(1,209)	(1,223)	(2,322)	(1,516)	(2,478)
Underlying replacement cost profit (loss) before interest and tax					
US	(721)	(600)	(564)	(493)	(797)
Non-US	(226)	10	(1,269)	(823)	(859)
	(947)	(590)	(1,833)	(1,316)	(1,656)
Operating capital employed					
US	(1,903)	(2,505)	(2,773)	(2,905)	(3,185)
Non-US	6,785	3,247	4,655	17,285	8,503
	4,882	742	1,882	14,380	5,318
Sales and other operating revenues	3,698	4,634	2,843	3,328	2,957
Capital expenditure and acquisitions					
US	519	1,390	1,071	977	877
Non-US	420	449	228	257	976
	939	1,839	1,299	1,234	1,853
Employee numbers at year end	9,100	9,100	7,200	6,200	10,100

Alternative Energy

Our focus is on low-carbon businesses and future growth options that we believe have the potential to be a material source of low-carbon energy and are aligned with BP's core capabilities. We are building a material business to produce biofuels in Brazil, the US and the UK. In wind power, BP has focused its business in the US, where we have developed one of the leading wind portfolios with 12 wind farms. We continue to develop long-term value for BP, by developing sustainable energy solutions spanning three broad areas: bio-energy, electrification and carbon solutions. At the end of 2011, BP began winding down its remaining solar operations as it prepares to exit the solar business and is no longer showing module sales to third-party customers.

	2007	2008	2009	2010	megawatts 2011
Wind capacity ^a					
US	100	322	679	742	1,016
Non-US	72	110	32	32	32
	172	432	711	774	1,048

^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 1,763 megawatts (MW) in 2011, 1,362MW in 2010, 1,237MW in 2009, 785MW in 2008 and 373MW in 2007. This includes 32MW of capacity in the Netherlands which is managed by our Downstream segment.

Miscellaneous terms

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

ADR	Dollar or \$
American depositary receipt.	The US dollar.
ADS	Earnings per share
American depositary 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.
AGM	Effective tax rate
Annual general meeting.	The ratio of the tax charge to the profit after interest expense but before tax.
Amoco	EU
The former Amoco Corporation and its subsidiaries.	European Union.
Associate	GAAP
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.	Generally accepted accounting practice.
Atlantic Richfield	Gas
Atlantic Richfield Company and its subsidiaries.	Natural gas.
Barrel (bbl)	Hydrocarbons
42 US gallons.	Crude oil and natural gas.
b/d	IFRS
barrels per day.	International Finance Reporting Standards.
boe	Joint control
barrels of oil equivalent. 5.8 billion cubic feet of natural gas = 1 million barrels of oil equivalent.	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).
BP, BP group or the group	Joint venture
BP p.l.c. and its subsidiaries.	A contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.
Burmah Castrol	Jointly controlled asset
Burmah Castrol PLC and its subsidiaries.	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.
Cent or c	Jointly controlled entity
One-hundredth of the US dollar.	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.
CIF	Liquids
Cost insurance and freight.	Crude oil, condensate and natural gas liquids.
The company	LNG
BP p.l.c.	Liquefied natural gas.
Debt to debt-plus-equity ratio	London Stock Exchange or LSE
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.	London Stock Exchange plc.
Debt to equity ratio	LPG
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.	Liquefied petroleum gas.
Dividend cover	mb/d
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.	thousand barrels per day.
Dividend payout ratio	mboe/d
The ratio of dividend paid for the period to replacement cost profit, expressed as a percentage.	thousand barrels of oil equivalent per day.

mmboe

million barrels of oil equivalent.

mmBtu

million British thermal units.

mmcf

million cubic feet.

mmcf/d

million cubic feet per day.

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.

OECD

Organization for Economic Co-operation and Development.

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 and fair value accounting effects 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.

Further 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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