BP 2010 results and investor update

London
1 February 2011

Bob Dudley
Group Chief Executive

Cautionary statement

Forward looking statements - cautionary statement

This presentation and the associated slides and discussion contain forward looking statements, particularly those regarding energy demand and sources of supply; possible short term impact on costs and volumes from various actions to grow value; production growth and future production; refining margins; the petrochemicals environment; refinery turnaround activity and costs; cash costs and capital expenditure; disposals, including strategy and proceeds from disposals; completion of acquisitions; effective tax rate; maintenance of a cash liquidity buffer; reduction in the gearing ratio; payment of dividends; investments in safety and operational risk; increase in turnaround activity and impact on production; embedding of the operating management system; focus on competency capability and safety culture; actions of the Safety and Operational Risk organisation; the expected timing of the transition of control of the Gulf of Mexico response operations from the GC-IMT to the BP Gulf Coast Restoration Organization; internal organisational changes and advancing learning from the Gulf of Mexico (GoM) incident; the magnitude and timing of costs relating to the GoM oil spill; the magnitude of BP's ultimate exposure relating to the oil spill and potential mitigation by other parties; payments to the oil spill trust fund and return of any excess cash from the fund; availability of cash when payments to the fund cease; timing of investigations and litigation proceedings relating to the oil spill; restarting GoM activity; GoM production; start-up of projects and their contribution to production; depreciation, depletion and amortization; underlying average quarterly charge from other businesses and corporate; future exploration activity and spend; future upstream developments and ramp up of activities in Iraq; growth in TNK-BP, including investment and production; upstream strategy (including focus on safety improvements and operational risk reduction; relationships with large resource holders and National Oil Companies; exploration investment; shifting emphasis from volume to long-term value growth; investments in technology and capability); improvements in refining efficiency; move to new refining marker margin; refinery divestments; repositioning of US Fuels Value Chains (FVC) (including divesting Southern West Coast FVC and retaining Northern West Coast FVC) and halving US refining capacity; improvements in Eastern Hemisphere FVCs, including growth in margin capture and access; investment in Toledo and Whiting refineries; timing of Whiting refinery modernization project; growth in lubricants and petrochemicals; refining and marketing performance outlook, including performance improvement and growth in earnings and returns; investments in Alternative Energy; potential for biofuels as source of transport fuels; expansion of biofuels operations in Brazil; expected sanction of lignocellulosic ethanol production facility and advancing technology for biobutanol production. 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. Actual results may differ from those expressed in such statements, depending on a variety of factors including the timing of bringing new fields onstream; 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 impact on our reputation following the Gulf of Mexico oil spill; exchange rate fluctuations; development and use of new technology; the success or otherwise of partnering; the actions of competitors, trading partners, creditors, rating agencies and others; 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 in this presentation, under "Risk factors" in our Annual Report and Accounts 2009 and our 2009 Annual Report on Form 20-F, filed with the US Securities and Exchange Commission (SEC) and under "Principal risks and uncertainties" in BP's Current Report on Form 6-K filed with the SEC on 28 July 2010.

Reconciliations to GAAP - This presentation also contains financial information which is not presented in accordance with generally accepted accounting principles (GAAP). A quantitative reconciliation of this information to the most directly comparable financial measure calculated and presented in accordance with GAAP can be found on our website at www.bp.com

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

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

February 2011

Agenda

Introduction	Bob Dudley
2010 results	Byron Grote
Safety & Operational Risk Gulf of Mexico oil spill Exploration & Production	Bob Dudley
Refining & Marketing	Iain Conn
Alternative Energy Conclusion	Bob Dudley
Q&A	

2010: Gulf of Mexico oil spill and response

Deepwater Horizon incident

- 11 lives lost

Response

- Unprecedented containment, well-capping and clean-up
- Dividend suspended
- $20bn Trust Fund established
- $30bn divestment programme initiated
- New Safety and Operational Risk organization
- Reorganization of BP’s upstream business
- Introduced new performance management
- Sharing and implementing learnings

2010: underlying performance

Strong underlying financial performance[(1)]

- Underlying earnings of $20.5bn and operating cash flow of $29.6bn

Business performance delivery

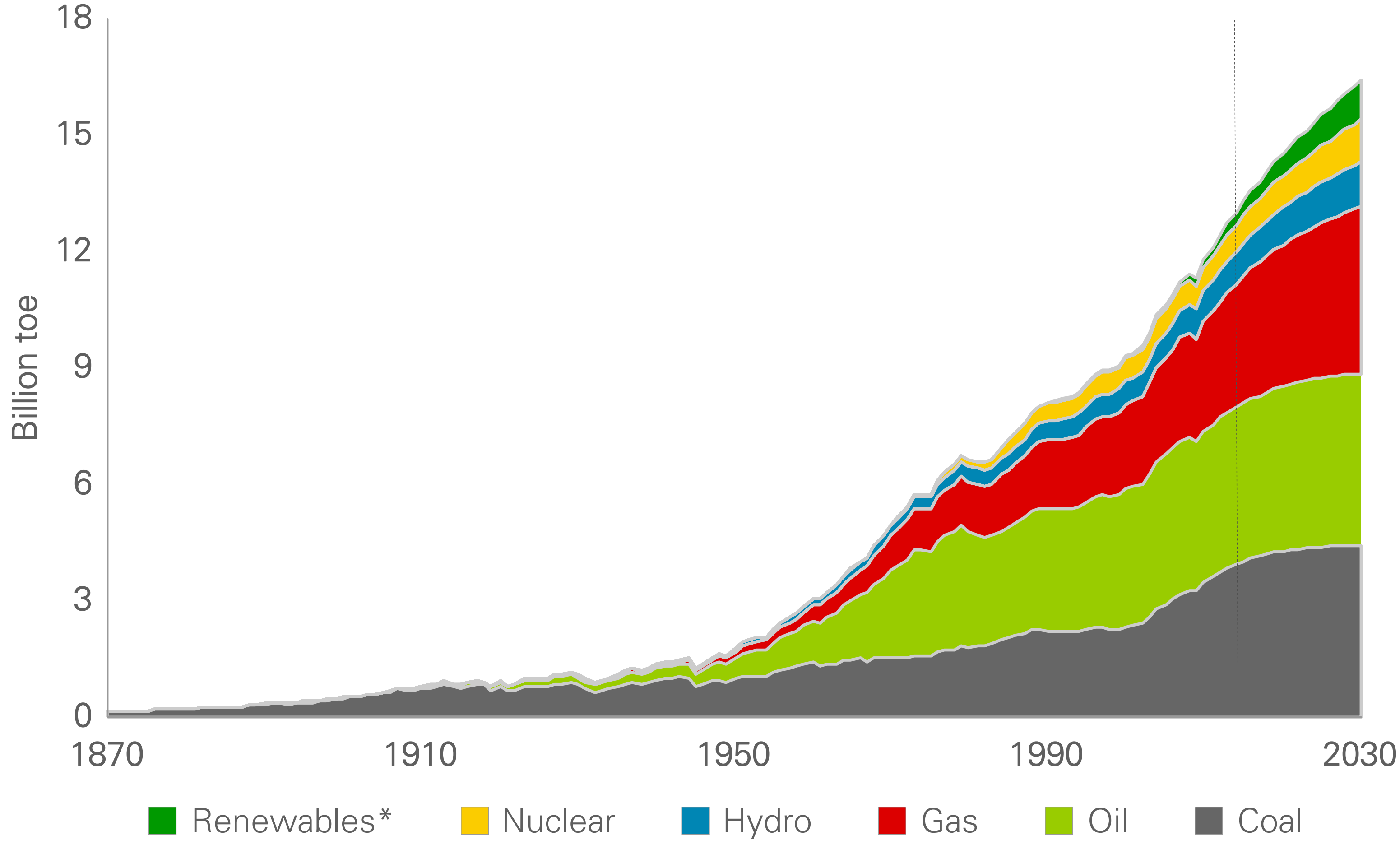
- 106% reserves and 470% resource replacement[(2)]
- Access and exploration success
  - Brazil, Azerbaijan, Egypt, North Sea, Indonesia, China
- 15 projects progressed through Final Investment Decision
- Improved Production Target achieved in Iraq
- $0.9bn of underlying performance improvement in R&M[(3)]

Successful divestment program

- Realized values exceeded expectations
- Portfolio refocused

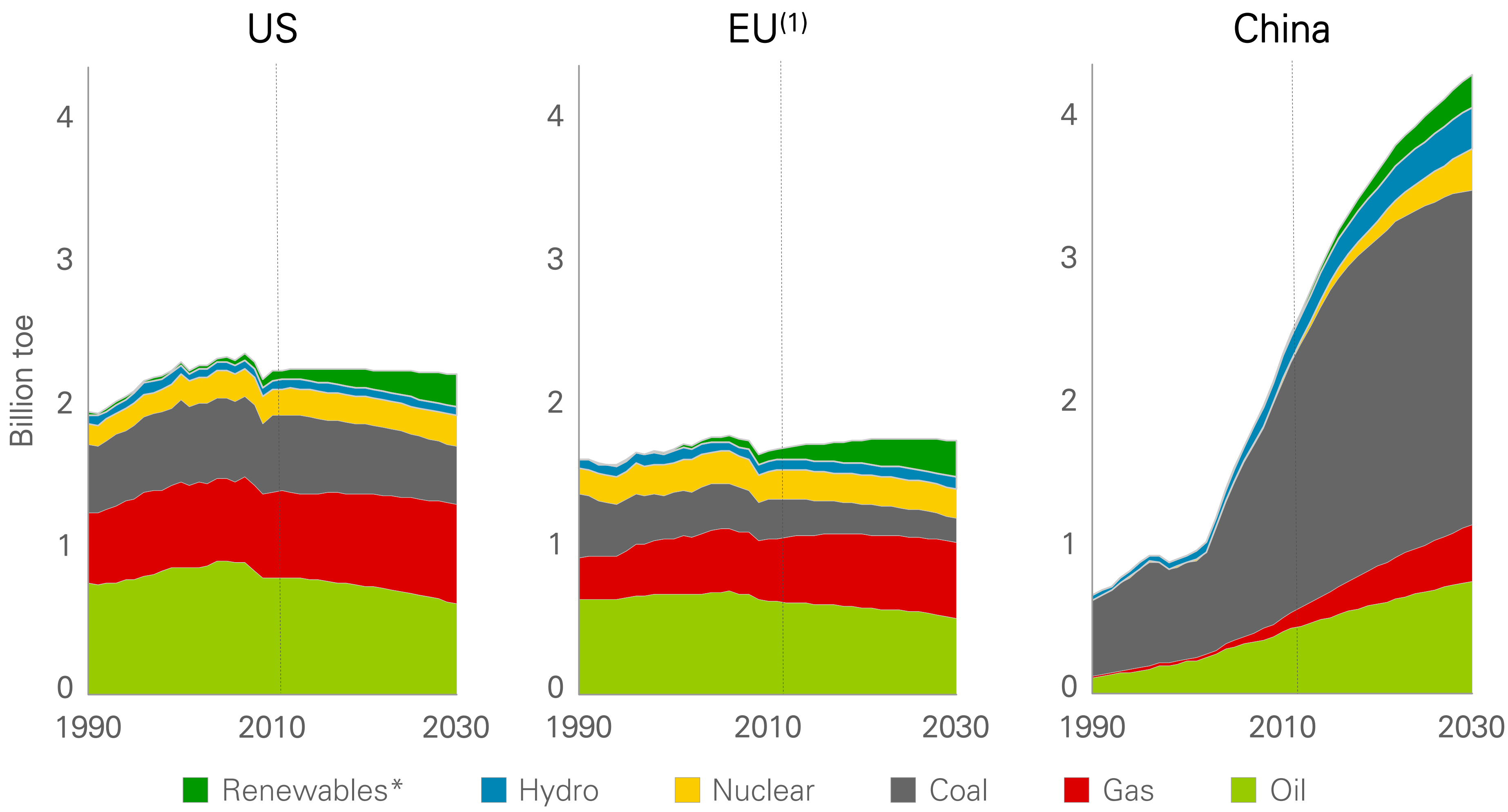
(1) Adjusted for the costs associated with the Gulf of Mexico oil spill, other Non-Operating Items and Fair Value Accounting Effects
(2) Reserves and resource replacement, as reported on a combined basis of subsidiaries and equity accounted entities, excluding acquisitions and divestments
(3) Adjusted for non-operating items, fair value timing effects and the environment effect of refining margins, petrochemical margins, forex and energy costs

Energy demand to 2030



Includes biofuels
Source: BP Energy Outlook 2030

The challenge of meeting growing demand



(1) Today's borders

** Includes biofuels*

Source: BP Energy Outlook 2030

Moving BP forward
Our strategic agenda

Putting Safety & Operational Risk management at the heart of the company

- A long term integrated approach
  - How we manage risk
  - How we operate
  - How we partner with governments and contractors
  - How we reward our people

Re-building trust

- Meeting our commitments to the US
- Sharing and implementing lessons globally

Value growth

- Dividend resumed
- Active portfolio management: divesting/acquiring for value
- Investing for upstream value
  - Growth project portfolio + focussed base = potential for stronger growth
  - Increasing investment in exploration
  - New forms of partnerships with resource holders
- Reshaping downstream
  - More focussed portfolio: improved returns and growth

The BP team

2011 BP investor roadshow team

Bob Dudley
Group Chief Executive

Iain Conn
Chief Executive
Refining & Marketing

Byron Grote
Chief Financial Officer

Andy Hopwood
Executive Vice President,
Strategy & Integration

Mark Bly
Executive Vice President,
Safety & Operational Risk

Brian Gilvary
Deputy Group CFO &
Head of Finance

Rupert Bondy
Group General Counsel

Mike Daly
Executive Vice President,
Exploration

Lamar McKay
President & Chairman
BP America & GCRO

Steve Westwell
Executive Vice President,
Group Strategy &
Integration

Peter Henshaw
Group Head of
Communications

Bernard Looney
Executive Vice President,
Developments

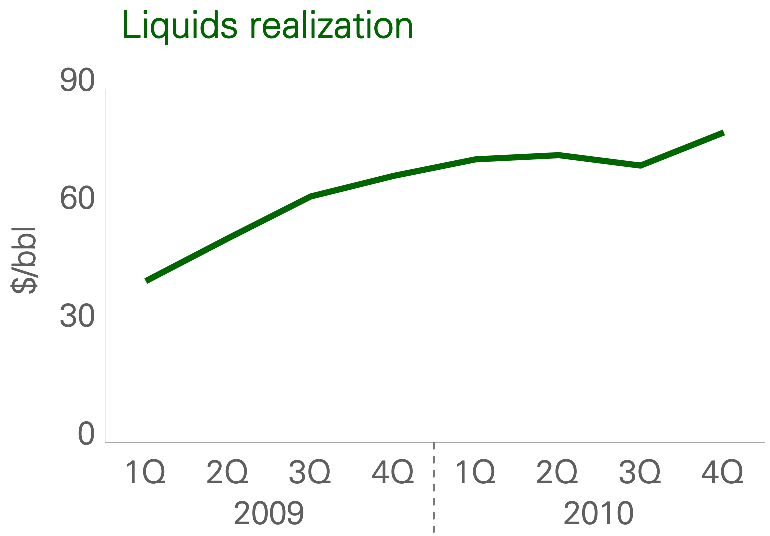
Fergus MacLeod
Head of Investor
Relations

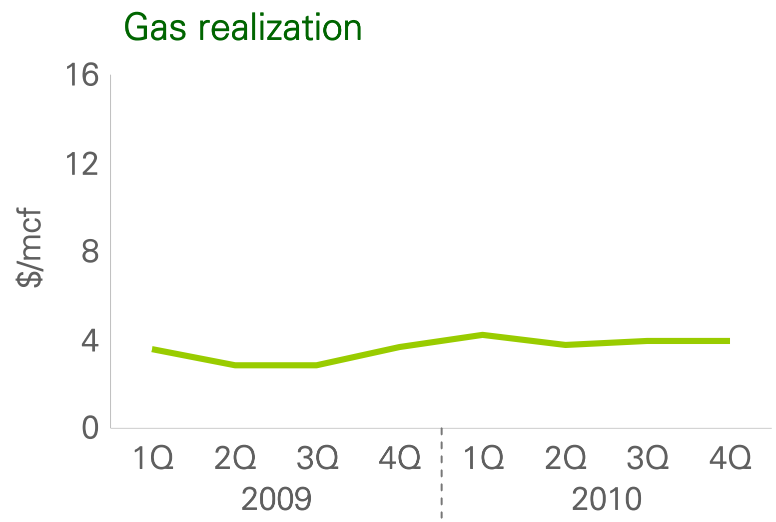
David Peattie
Senior Vice President,
Russia

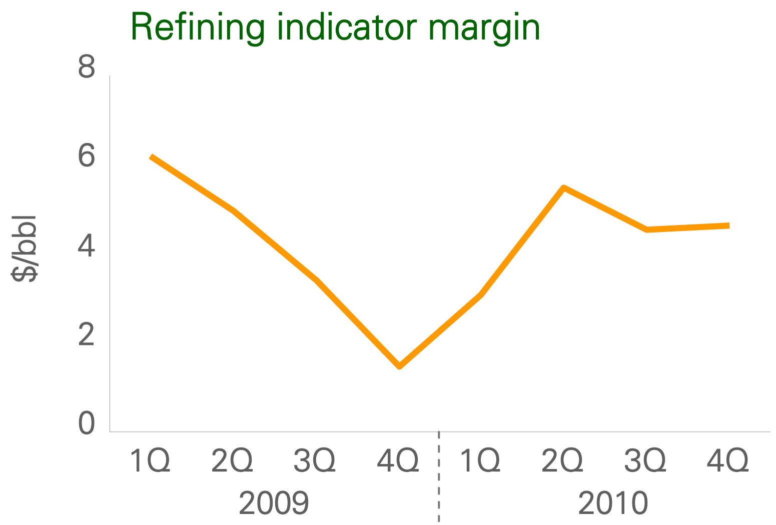
Bob Fryar
Executive Vice President,
Production

Byron Grote
Chief Financial Officer

Trading environment







	Change vs 2009	
Average realizations	4Q	Year
Liquids $/bbl	16%	30%
Natural gas $/mcf	8%	22%
Total hydrocarbons $/boe	10%	25%
Refining indicator margin $/bbl	211%	11%

Financial results

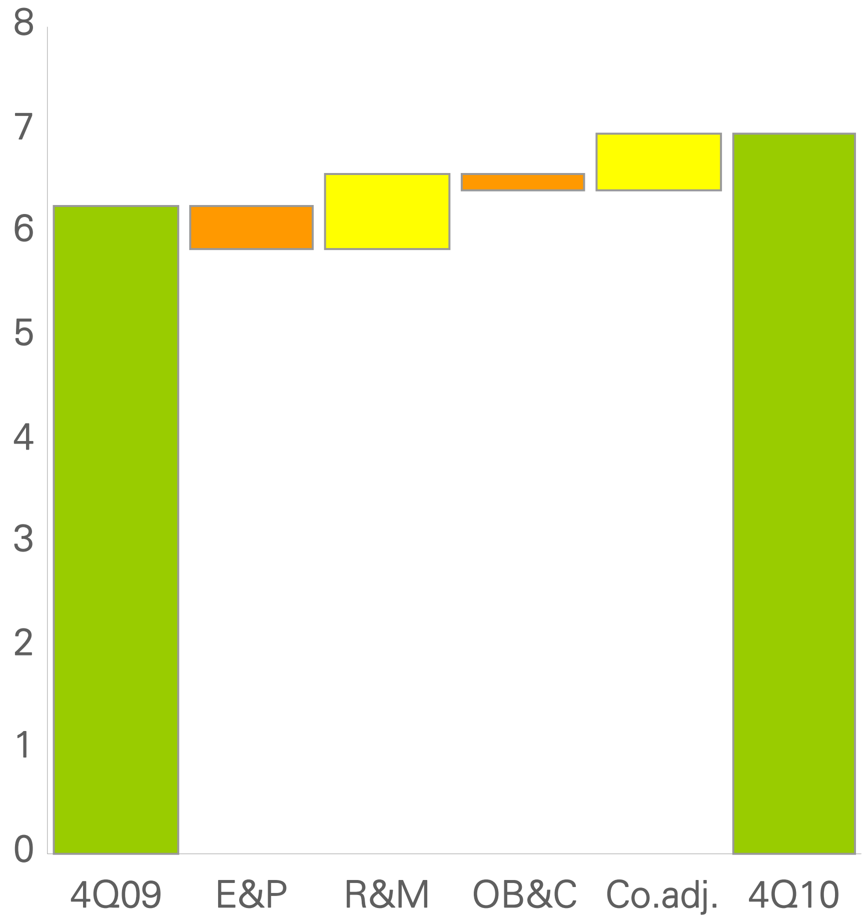
All earnings figures are adjusted for the costs associated with the Gulf of Mexico oil spill, other non-operating items and fair value accounting effects.

$bn	4Q09	4Q10
Exploration & Production	7.1	6.7
Refining & Marketing	0.0	0.7
Other businesses & corporate	(0.3)	(0.5)
Consolidation adjustment	(0.5)	0.1
Replacement cost profit before interest and tax	6.3	7.0
Interest & minority interest	(0.4)	(0.4)
Tax	(1.5)	(2.2)
Replacement cost profit	4.4	4.4

Earnings per share ($c)	23.4	23.2

Cash from operations ($bn)*	7.3	5.2
Dividend paid ($bn)	2.6	-
Organic capital expenditure ($bn)	5.9	5.2
Dividend per share ($c)	14.0	7.0

Replacement cost profit before interest and tax 4Q10 vs 4Q09 ($bn)



* 4Q10 excludes post-tax cash outflows of $(5.4)bn related to Gulf of Mexico oil spill

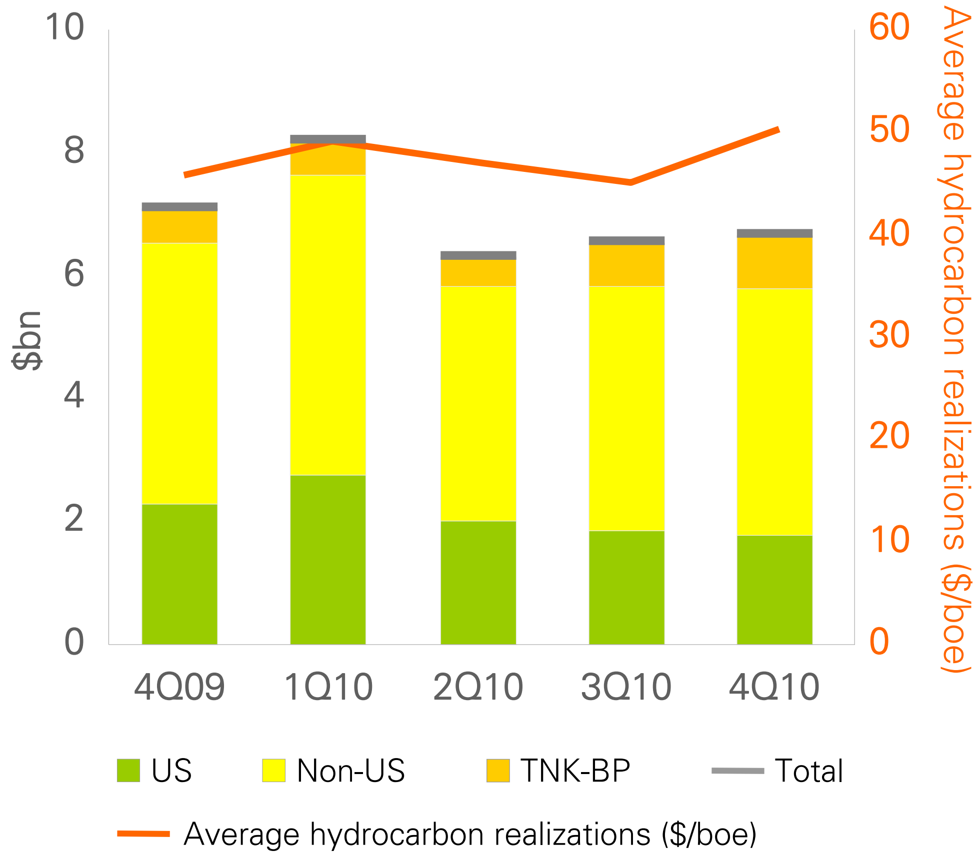
Gulf of Mexico oil spill costs and provisions
(pre-tax, pre partner recovery)

$bn	2Q10	3Q10	4Q10	FY10
• Income statement				
– Charge for the period	32.2	7.7	1.0	40.9
• Balance sheet *				
– Brought forward		30.1	27.7	
– Charge/ (credit) to income statement	32.2	7.7	1.0	
– Payments into Trust Fund		(3.0)	(2.0)	(5.0)
– Other related payments in the period	(2.1)	(7.1)	(3.4)	(12.7)
– Carried forward	30.1	27.7	23.3	
• Cash payments	2.1	10.1	5.4	17.7

* *Balance sheet amount includes all provisions, other payables and the reimbursement asset balances related to the Gulf of Mexico oil spill*

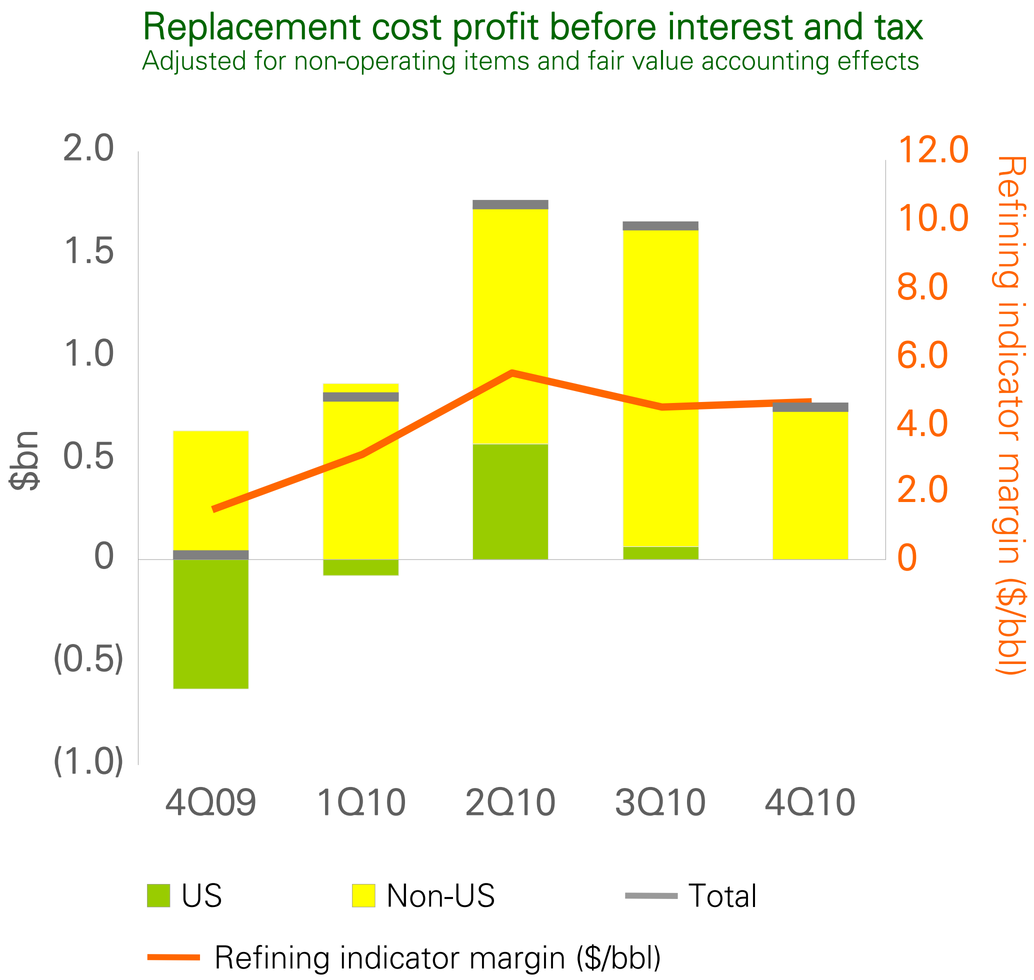
Exploration & Production

Replacement cost profit before interest and tax
Adjusted for non-operating items and fair value accounting effects



- Stronger environment
- Lower depreciation
- Loss in gas marketing and trading
- Reported production 9% lower – adjusting for PSA entitlement effects and A&D, production 6% lower
  - Higher turnaround activity than 4Q09
  - Continued impact of the Gulf of Mexico drilling moratorium
  - Absence of 40mboed benefit in 4Q09 from make-up of prior-period underlift

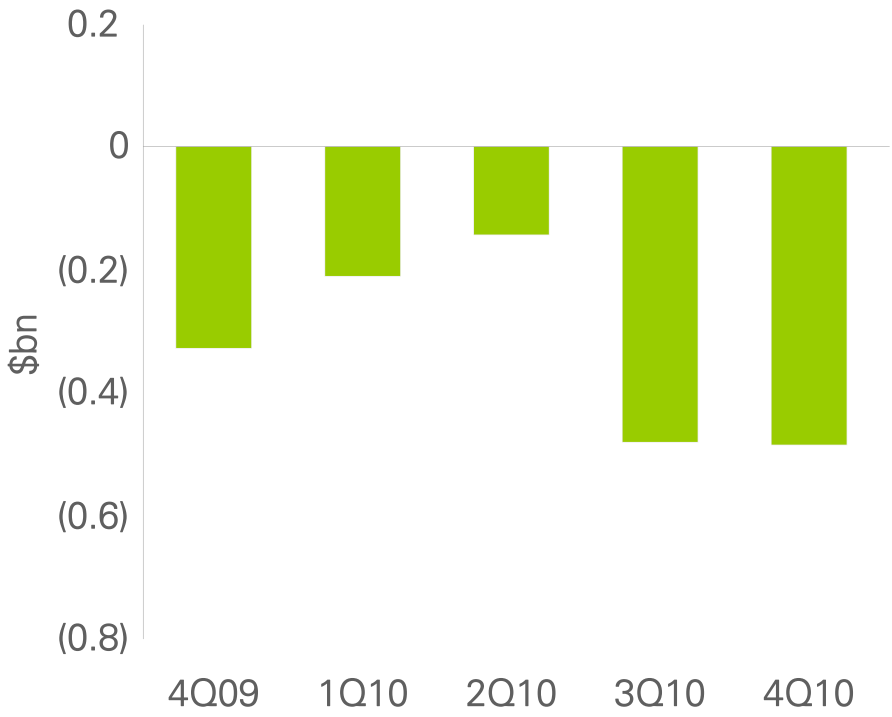
Refining & Marketing



- Stronger refining margins
- Strong operational performance in fuels value chains
- Continued momentum in international businesses
- Further cost efficiencies
- Loss in supply and trading

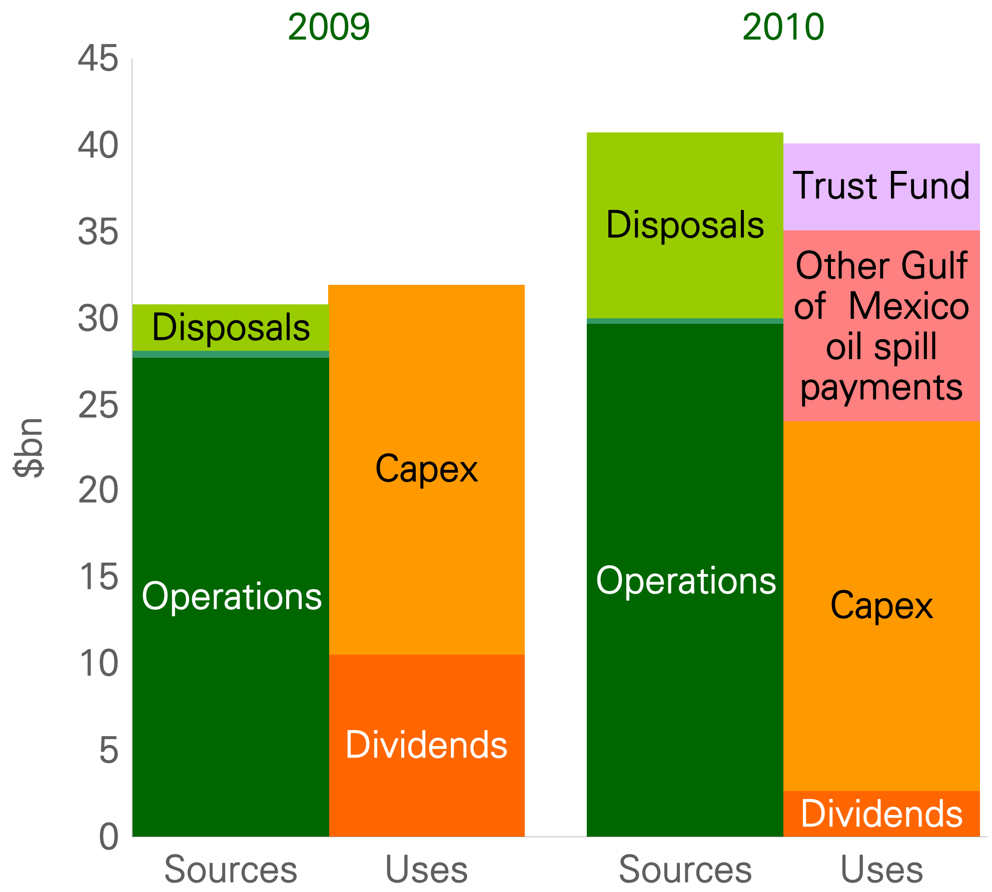
Other businesses & corporate

Replacement cost profit before interest and tax
Adjusted for non-operating items and fair value accounting effects



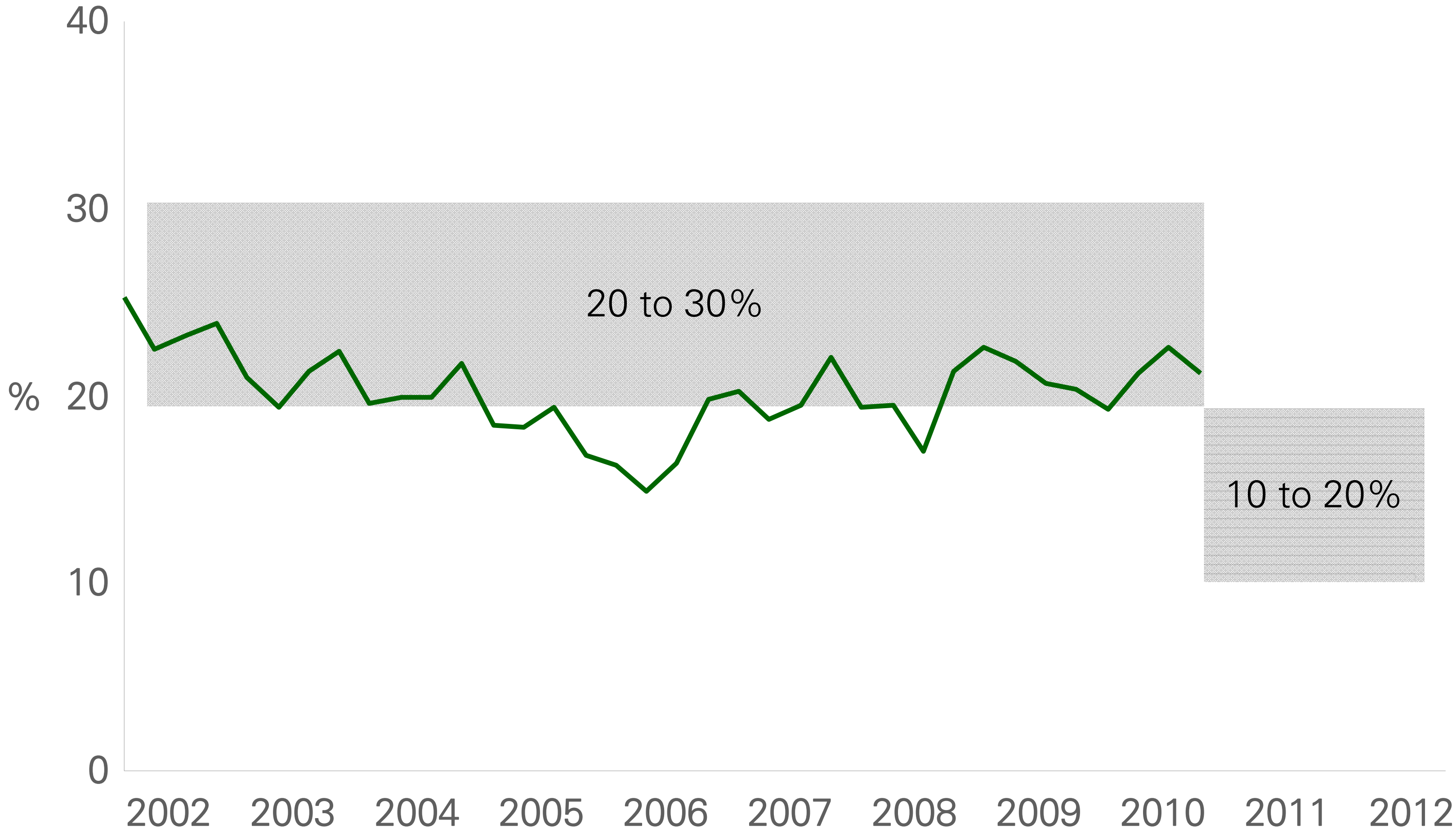
- Adverse foreign exchange effects

Sources & uses of cash



- Disposal proceeds of $6.2 billion for deals closed in 4Q
- Additional $6.2 billion of cash deposits held at year end for disposals expected to complete in subsequent periods, which is reported as short-term debt.
- Cash at 31 December is $18.6 billion

Net debt ratio



Net debt ratio = net debt / (net debt + equity)
Net debt includes the fair value of associated derivative financial instruments used to hedge finance debt
Cash of $6.2bn received as deposits for disposals completing after year-end is reported as short-term debt at 31 December 2010

2011 guidance

	2010	2011 guidance
Organic capital expenditure	$18bn	~ $20bn
Cash from disposals*	$17bn	$13bn
Payments into Trust Fund	$5bn	$5bn
DD&A	$11bn	~ $500m higher
Cash costs** *(year-on-year change)*	Slightly lower	Slightly higher
OB&C: average underlying quarterly charge	~ $350m	~ $400m
Full year effective tax rate***	31%	32% - 34%

* *Cash from disposals including deposits of $6.2bn received at year end 2010 relating to disposal transactions expected to complete in subsequent periods*

** *Excluding the effects of changes in exchange rates and fuel costs. A full definition of cash costs can be found on bp.com*

*** *Excluding the impact of the Gulf of Mexico oil spill*

Financial framework

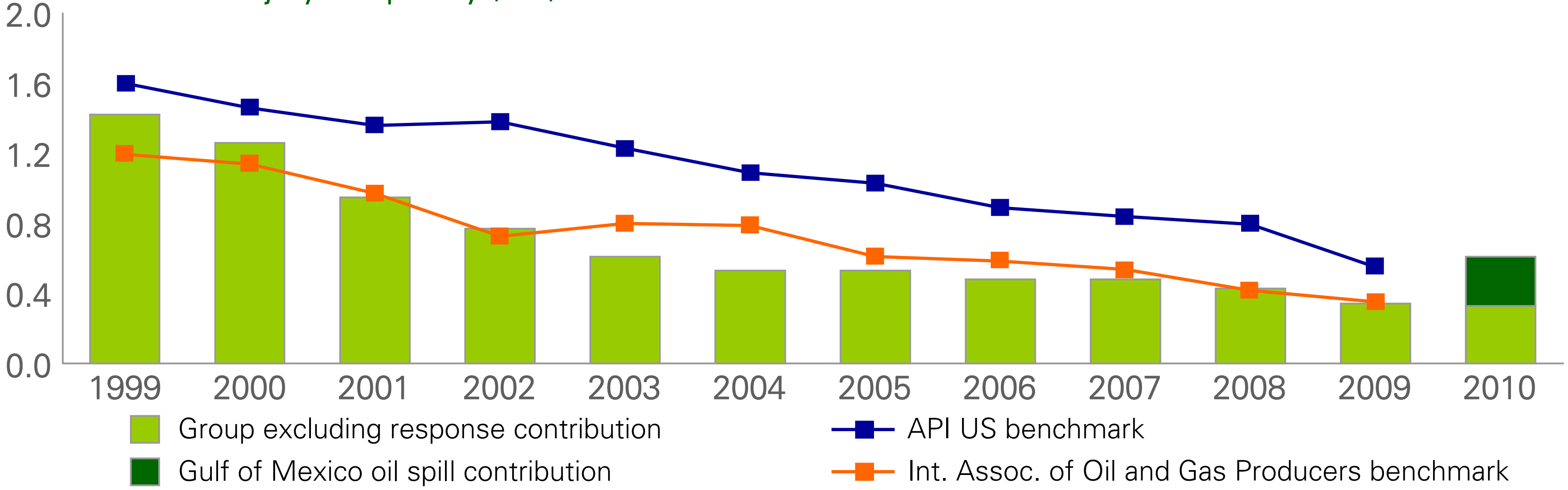
- Increased investment to grow the firm
- Resumption of the quarterly dividend supported by:
  - Continued success in the disposal program
  - Improving business environment

  balanced by:
  - The need to retain significant level of financial flexibility
- Financial flexibility provided by:
  - Maintenance of a significant cash liquidity buffer
  - Reduction in gearing to range of 10% - 20%
- Quarterly dividend level (7 cents/share) reflects:
  - Continuing obligation to the Trust Fund
  - Uncertainties the company still faces
  - Intention to grow over time in line with improving circumstances of firm

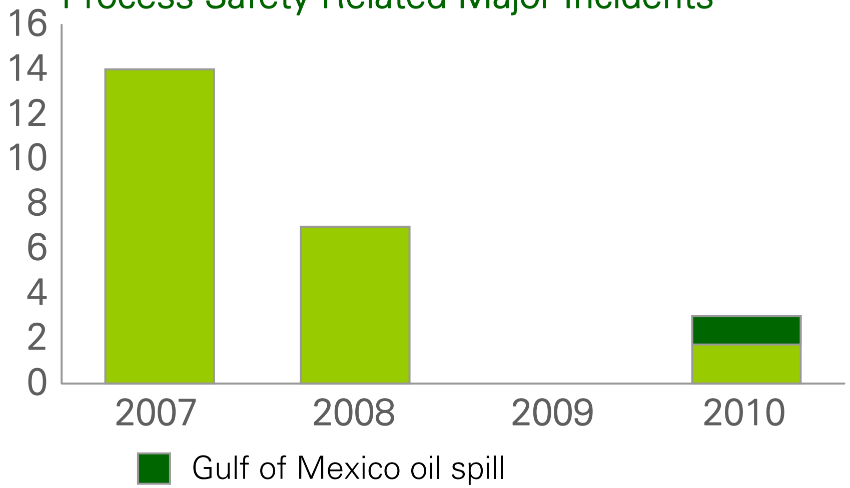
Bob Dudley
Group Chief Executive

Safety track record

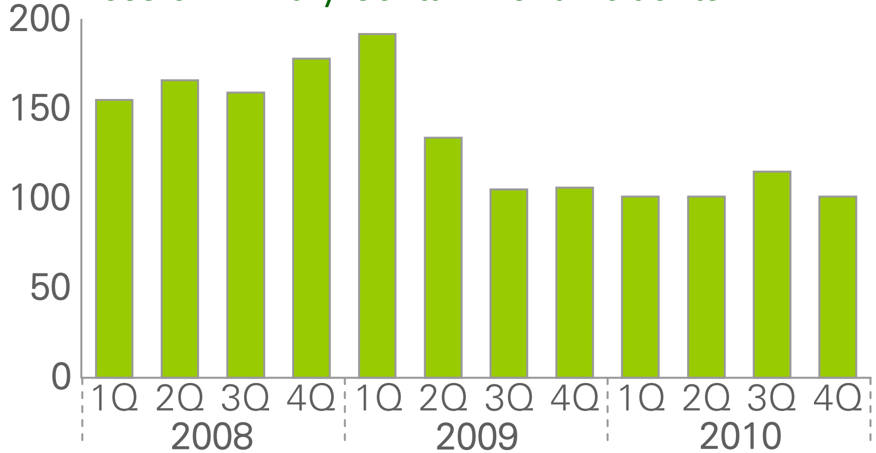
Recordable Injury Frequency (RIF)



Process Safety Related Major Incidents



Loss of Primary Containment incidents



Note: LOPC definition aligned with API recommended practice

Putting Safety and Operational Risk management at the heart of BP

Resetting the focus on safe, reliable operating activity to achieve long term value creation

Leadership priorities

- Process safety and operating risk reduction
- Embedding BP's Operating Management System (OMS)
  - Consistent and systematic operating rigour
- Competency, capability and safety culture

Rebasing performance management and reward

- Focus on priorities, foundation for long term performance

New Safety and Operational Risk organization (S&OR)

- Head of S&OR is member of Executive Team
- Strengthen central standards setting and auditing
- Deployed into the operating line

Implementing lessons globally

Building on our learnings and sharing them around the world

Internal changes to strengthen BP

- Centralized global wells organization
- Broadening areas of expertise
- Enhancing our standards and practices

Advancing technology, standards and equipment in 5 key areas

- Prevention/drilling safety – the highest priority
- Containment – stopping the flow
- Relief wells – plan for rapid well kill
- Spill response – control near the source
- Crisis management – preparation and co-ordination

Engaging with industry to develop new global capability

Living up to our commitments and earning back trust

Gulf Coast Restoration Organization

Economic & environmental impact

- ~$5bn of claims & government payments to date
- Natural Resource Damages Assessment
  - Understanding the incident's effects
  - Restoring the environment & use of natural resources

Voluntary funding

Funding includes:

- $500m Gulf of Mexico Research Initiative (GRI)
- Rig Worker Assistance Fund
- Behavioural health
- Tourism and seafood testing & marketing projects

Gulf of Mexico oil spill
Expected milestones

	Indicated dates*
Investigations	
• Presidential Commission final report	March 2011
• Marine Board investigation final report	Spring 2011
• Chemical Safety Board report	to be determined
• National Academy of Engineers final report	end 2011
Department of Justice inquiry continues	
Multi District Litigation trials	
• OPA 90** test trials	to be determined
• Limitation & Liability trial	February 2012

* *Dates as expected only*
** *OPA 90 = Oil Pollution Act of 1990*

Gulf of Mexico oil spill
Financial impacts

- $20bn Trust Fund
  - Claims by individuals and businesses
  - Government claims
  - Natural Resource Damages claims
- $41bn charge taken against income
- Partner recovery not included
- Final $1.25bn cash payment to Trust Fund in Q4 2013

Upstream:
Exploration, Developments and Production

Upstream – agenda

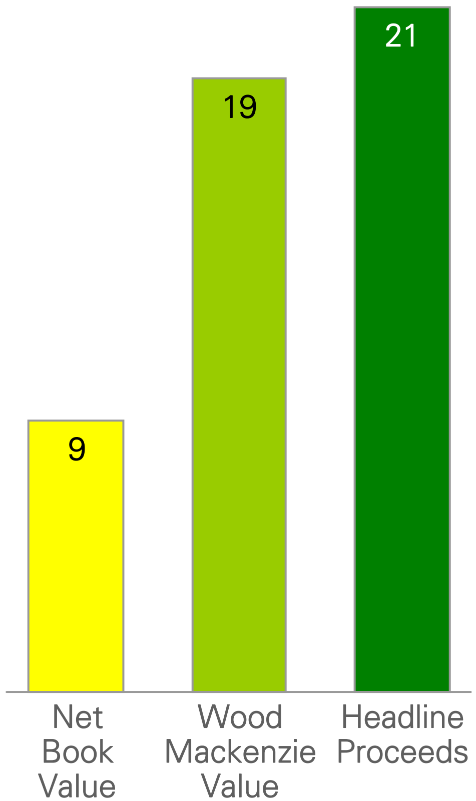
- Focus on value growth
  - Risk reduction
  - New forms of relationships
  - Increased investment in exploration
  - Active portfolio management: divestments / acquisitions
  - Build technology and capability
- 2010 delivery
- 2011 guidance

Divestment update

Divestment program success

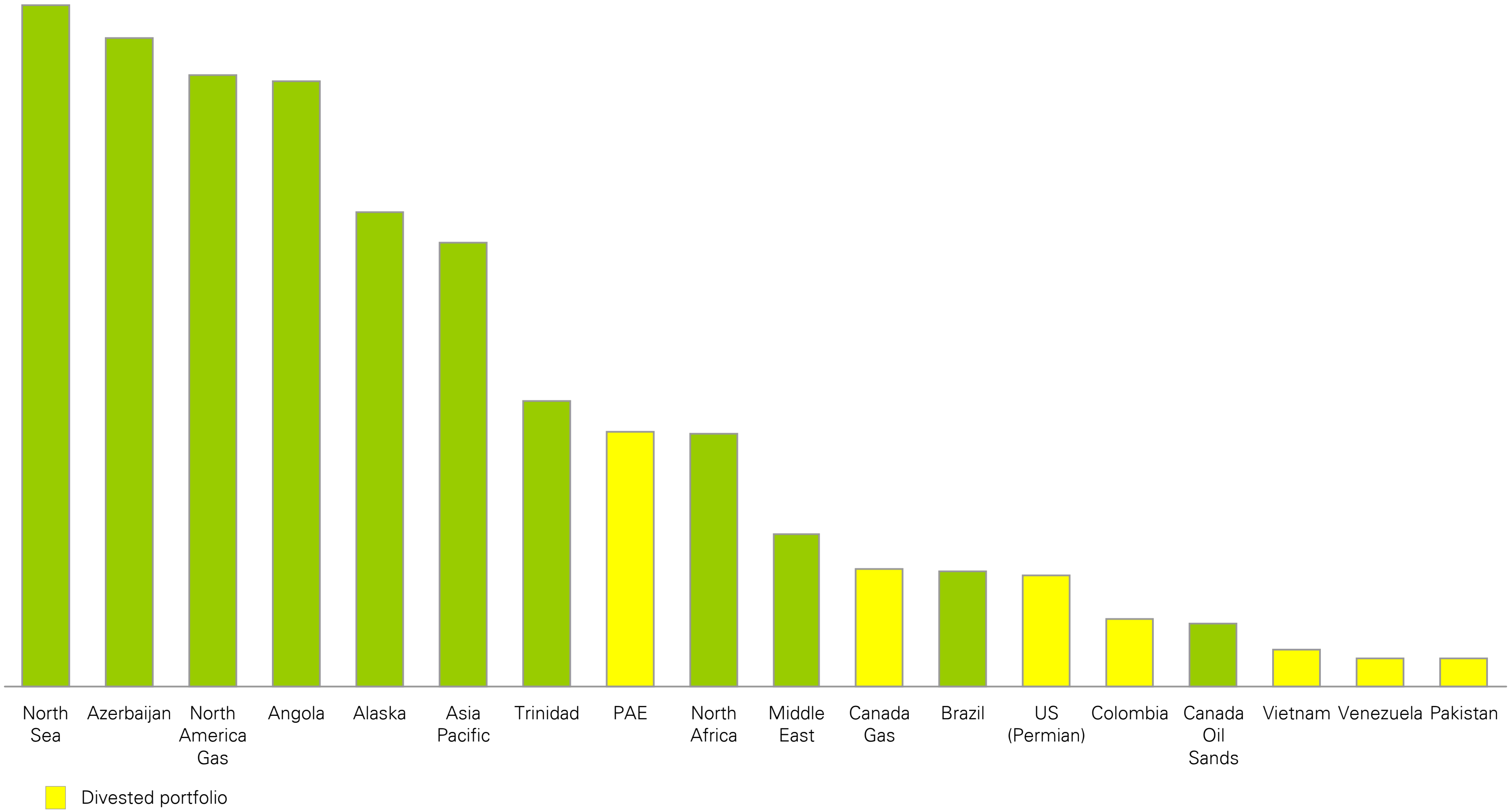
- Total headline proceeds of more than $21bn
- Reserves and non-proved resources of 1.7bn boe and 3.2bn boe, with 0.4bn boe and 1.8bn boe closed in 2010
- Financial impact of ~$1.5bn pre-tax underlying replacement cost profit

Key transactions
US Permian, Egypt Western Desert, Canada Gas to Apache
60% stake in Pan American Energy JV
Colombia to Ecopetrol and Talisman
Vietnam to TNK-BP
Venezuela to TNK-BP
46% interest in Lukarco JV to Lukoil
Devon Gulf of Mexico producing assets to Marubeni
Pakistan to United Energy Group Limited
50% of Kirby Heavy Oil JV to Devon



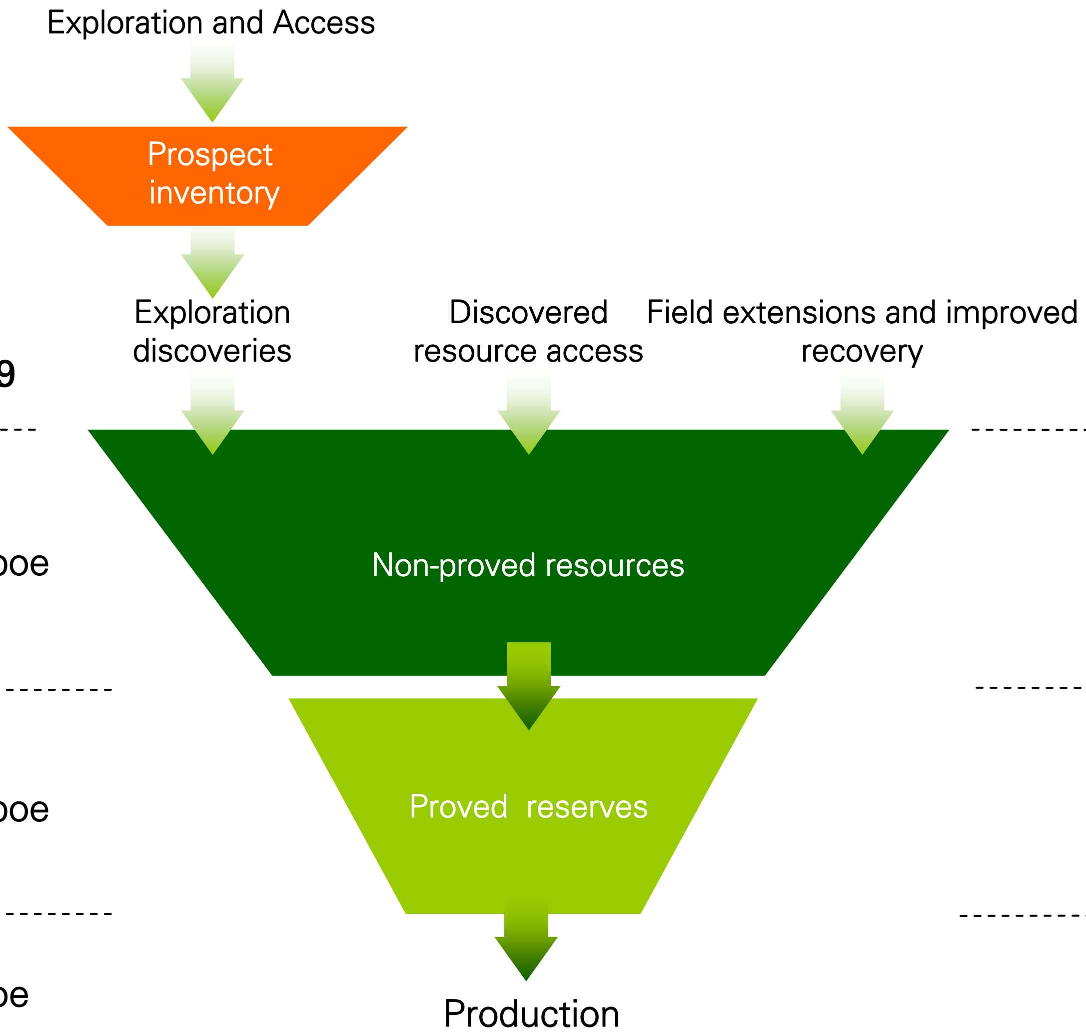
Financial impact BP projections at $75/bbl
Proceeds include $1.4bn of deferred payments in 2010 and 2011 for deals closed in 2009

Net asset value distribution:
Focused portfolio with potential for growth



Source: Wood Mackenzie; Assumptions: Value as of 1/1/11; 10% nominal discount rate; $80/barrel / $6/mcf
Disposed assets valued at headline proceeds; Brazil value shown as purchase price
TNK-BP and Gulf of Mexico not shown

Resources to reserves to production

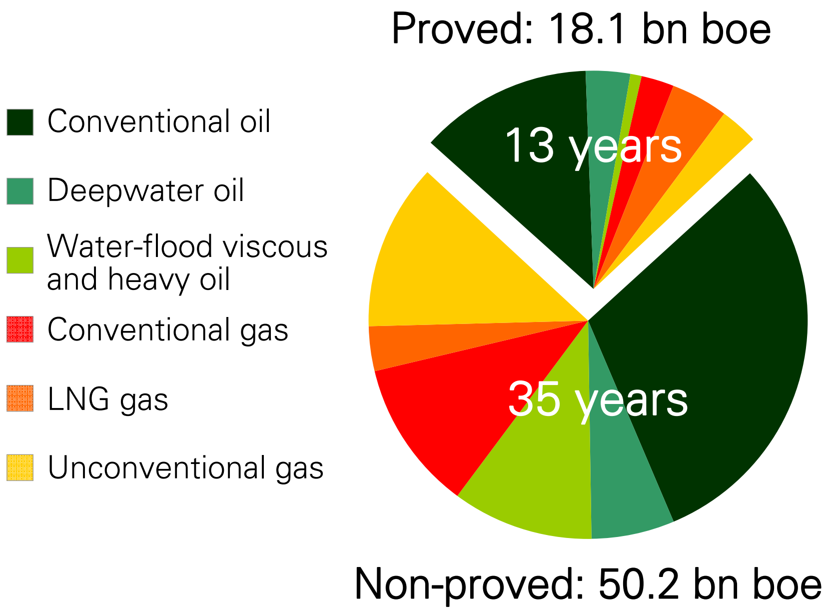


End 2009	End 2010	Impact of 2010 disposals
45.3 bn boe	50.2 bn boe	(1.8) bn boe
18.3 bn boe	18.1 bn boe	(0.4) bn boe
1.5 bn boe	1.4 bn boe	
Total resources: production 43 years	Total resources: production 48 years	

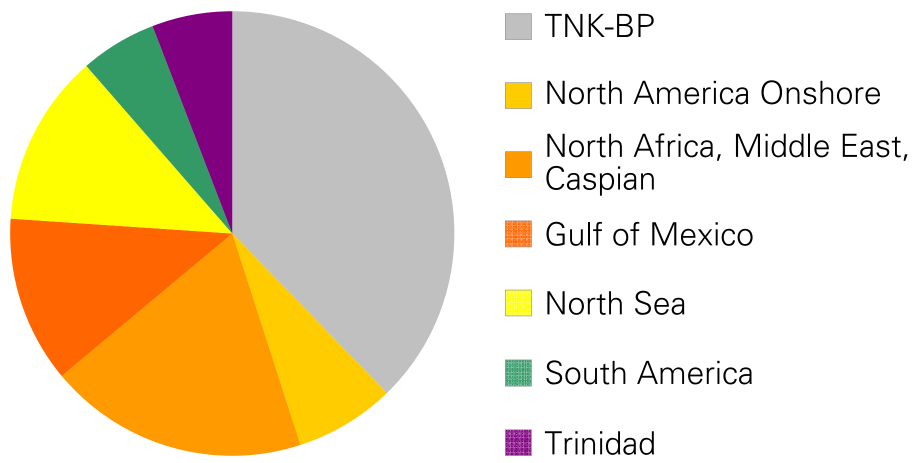
Resources and reserves on a combined basis of subsidiaries and equity-accounted entities
End 2010 includes impact of acquisitions and divestments completed in 2010

Resource and reserve distribution

2010 resource base

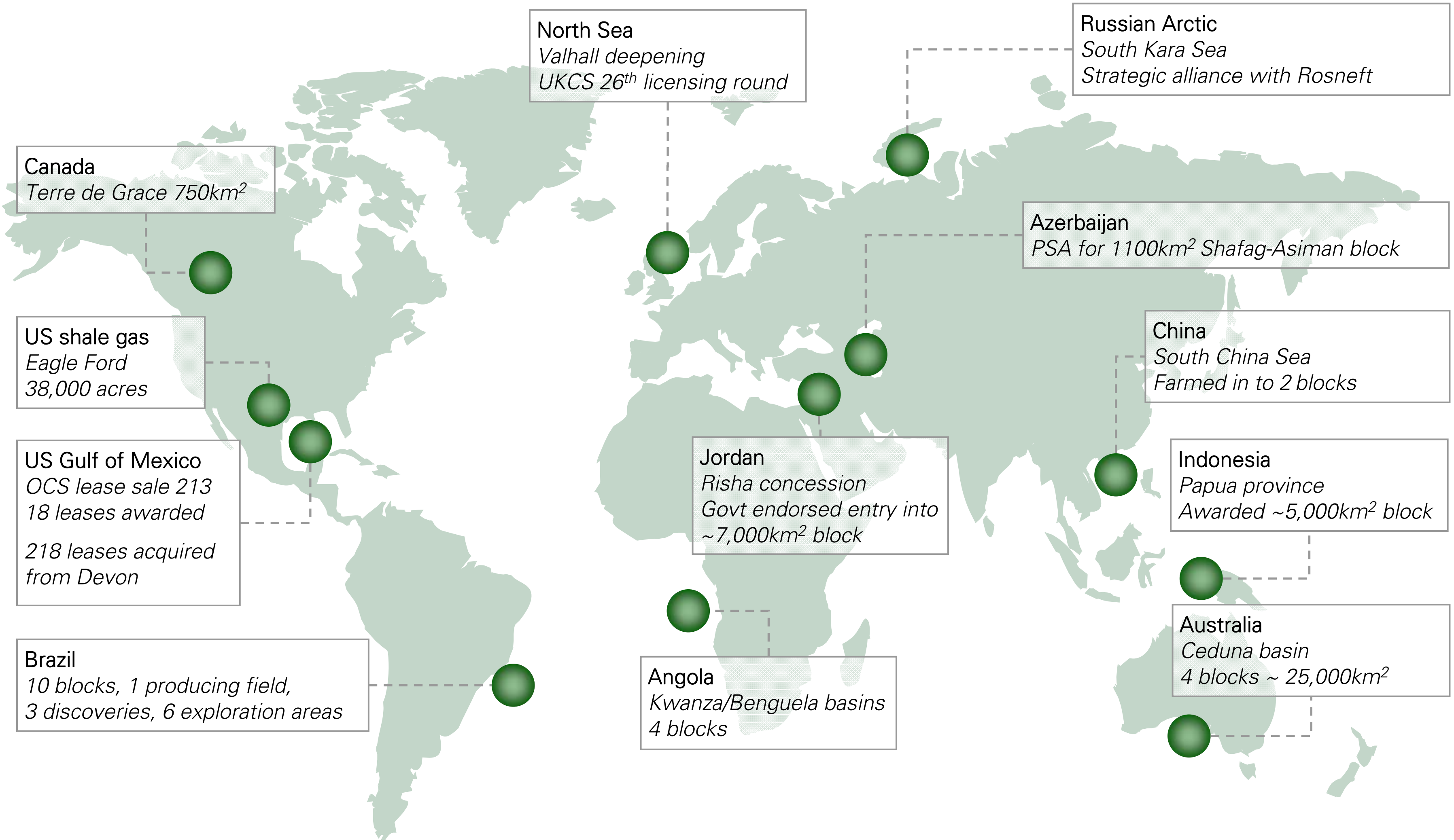


2010 reserves additions %



Reserves and resources at end-2010 on a combined basis of subsidiaries and equity-accounted entities

Recent access



Angola, Brazil and one block in South China Sea subject to government approval

Project Final Investment Decisions



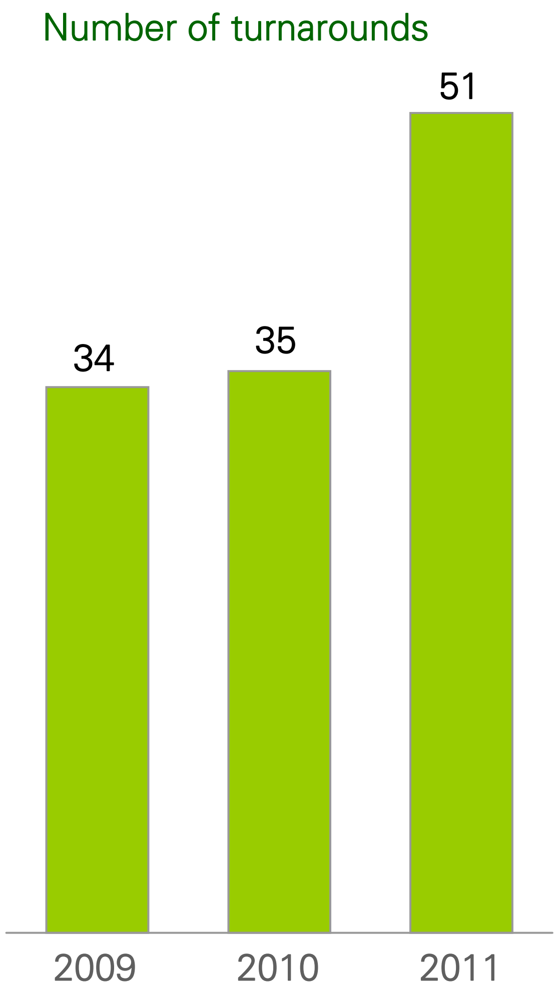

- Final Investment Decisions made on 15 projects
- ~$20bn of total BP net investment
  - 8 projects over $1bn BP net
  - Gulf of Mexico, Egypt and North Sea $4-5bn BP net each
- ~2bn boe of BP net resources under development

Tubular Bells	Gulf of Mexico	✓
Mars B	Gulf of Mexico	✓
Atlantis Phase 2	Gulf of Mexico	✓
Galapagos	Gulf of Mexico	✓
Na Kika Phase 3	Gulf of Mexico	✓
Horn Mountain Phase 2	Gulf of Mexico	under review
West Nile Delta Gas	Egypt	✓
WoS Q204	North Sea	✓
Clair Ridge	North Sea	✓
Devenick	North Sea	✓
Kinnoull	North Sea	✓
Chirag Oil	Azerbaijan	✓
Sunrise	Canada	✓
In Salah Southern Fields	North Africa	2011 FID
Verkhnechonskoye FFD Ph1	TNK-BP	✓
Uvat East Expansion	TNK-BP	✓
Suzun	TNK-BP	2012 FID
CLOV	Angola	✓ new addition

FFD - Full field development

2011 increased turnaround activity

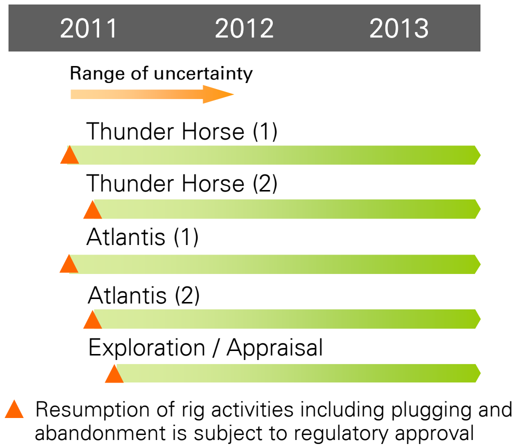
- ~ 50% increase in turnaround activity
- Major investment programs to manage safety and operational risk
- Short-term production impact with long-term reliability benefit



2011 BP projection

Deepwater: Gulf of Mexico

- Resource base remains unchanged
- Industry-wide production reduced in 2010
- 2011 focus on safely bringing back rig activity
- Our restart criteria will cover:
  - Regulatory requirements
  - Activity and pace
  - Capability
  - Contractor management
- 2011-2012 production impact dependent on restart timing



Source: BP projection, BOEMRE, Wood Mackenzie

Production 2006–2011

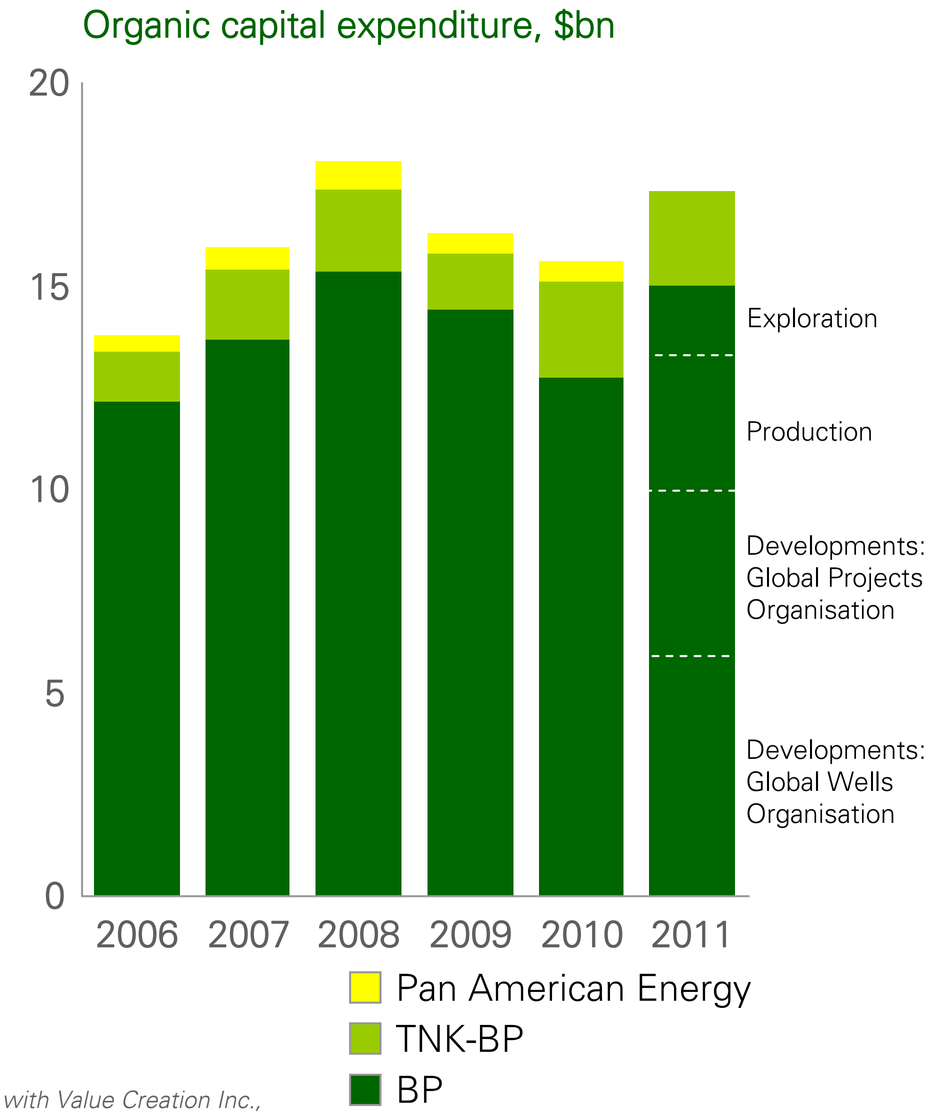
- 2011 year of consolidation
- Increased turnaround activity and planned losses
- Key drivers of uncertainty:
  - Gulf of Mexico restart
  - Divestment timing
  - Oil price and PSA effects
  - OPEC quota restrictions

2011 BP projection at $75/bbl

Capital investment 2006-2011

Increasing investment in line with priorities:

- Safety and operational risk activity, including an increased number of turnarounds
- Increased exploration spend
- Resumption of activity in Gulf of Mexico
- Major Projects progression, particularly in Angola, North Sea and Egypt
- Iraq ramp up of activity



Organic capital expenditure above excludes the following acquisition impacts:
2006 – Rosneft; 2007 – asset exchanges with Occidental;
2008 – Accounting for our transactions with Husky and Chesapeake;
2009 – BG asset swap and Eagle Ford;
2010 – Completed acquisitions from Devon, accounting for our transaction with Value Creation Inc., and for the purchase of additional interests in the Valhall and Hod fields
2011 – BP projections

Long term value growth

Portfolio choice

Deepwater

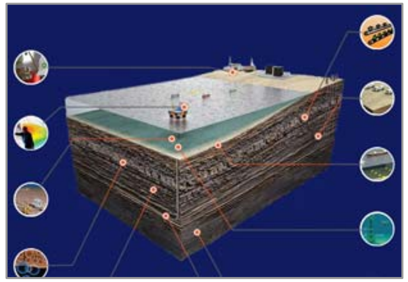
Gas

Giant fields

Enduring presence in key basins

Relationships

Basin knowledge



Technology

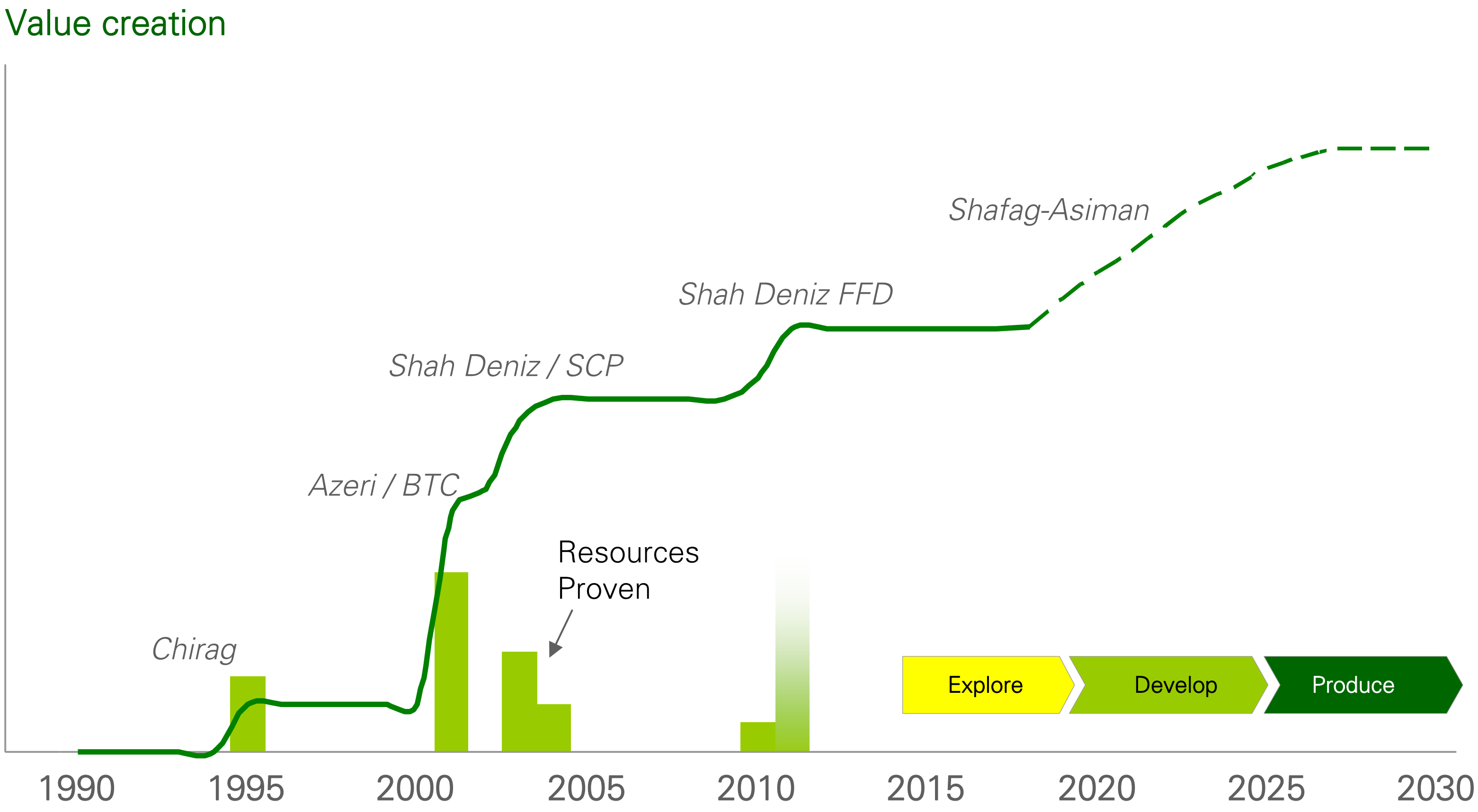
Capturing value across life cycle

Exploration

Developments

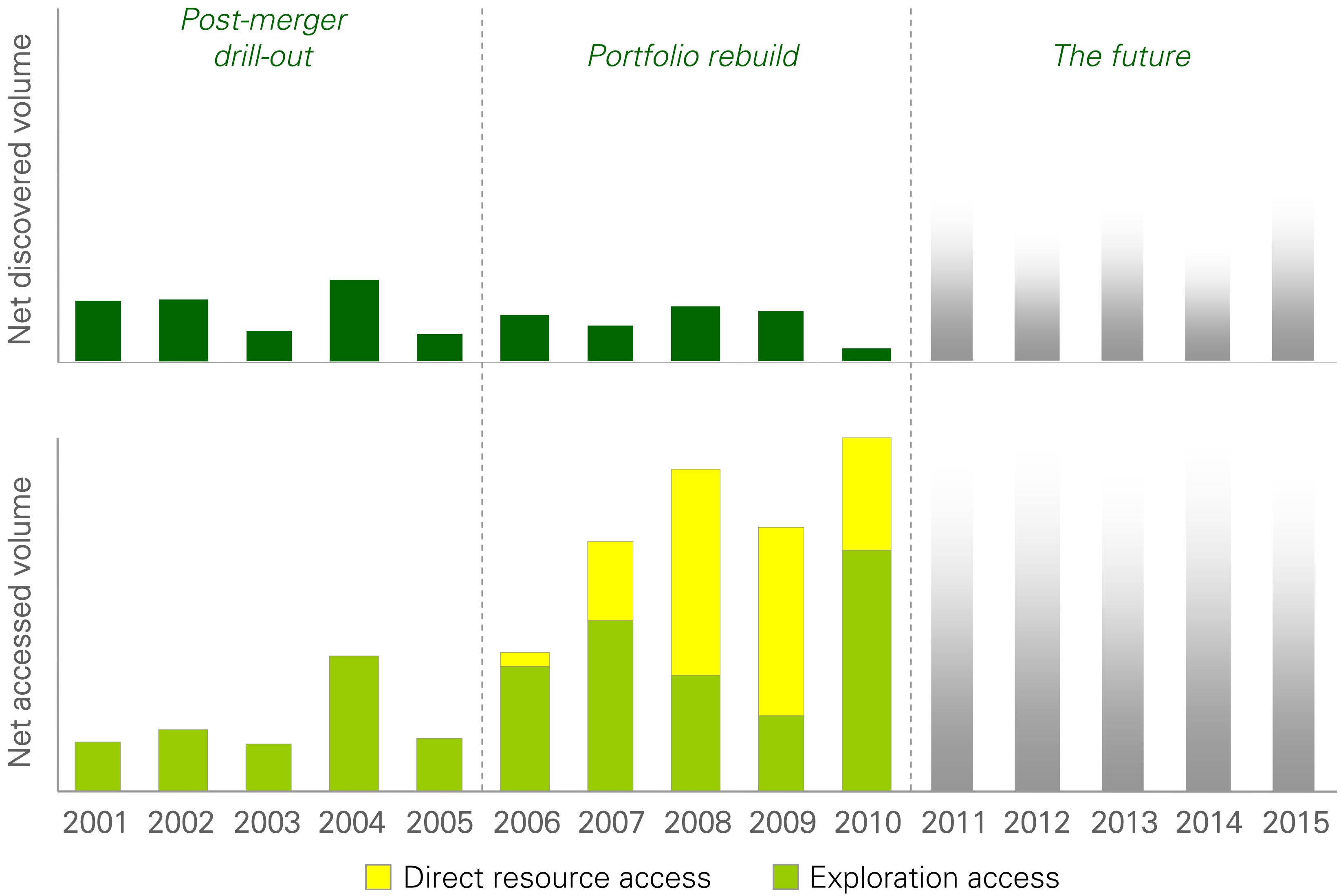
Production

Value growth in the life cycle of a basin: Azerbaijan example



FFD - Full Field Development
SCP – South Caucasus Pipeline
BTC – Baku-Tbilisi-Ceyhan
Resources are indicative
Source: BP internal

Increasing investment in exploration



Source: BP internal

Future exploration focus

New / untested positions

Existing positions

Developments: project portfolio

Post FID

Location	Project	>1bn BP Net Investment	Type	WI %	Gross Capacity
Alaska	Liberty*	✓	Conventional oil	100	40 mboed
Angola	Angola LNG	✓	LNG gas	14	5 mtpa
	Block 31 PSVM*	✓	Deepwater oil	27	150 mboed
	Clochas-Mavacola	✓	Deepwater oil	27	100 mboed
	CLOV	✓	Deepwater oil	17	160 mboed
	Pazflor	✓	Deepwater oil	17	220 mboed
Asia Pacific	North Rankin 2		LNG gas	17	1,800 mmscfd
Azerbaijan	Chirag Oil*	✓	Conventional oil	37	140 mboed
Canada	Sunrise	✓	Water-flood viscous and heavy oil	50	60 mboed
Egypt	West Nile Delta Gas*	✓	Conventional gas	60/80	900 mmscfd
Gulf of Mexico	Atlantis Phase 2*		Deepwater oil	56	50 mboed
	Galapagos*		Deepwater oil	47-67	60 mboed
	Mars B	✓	Deepwater oil	29	130 mboed
	Na Kika Phase 3*		Deepwater oil	50	40 mboed
	Tubular Bells		Deepwater oil	30	50 mboed
North Africa	In Amenas Compression		Conventional gas	46	330 mmscfd
North Sea	Clair Ridge*	✓	Conventional oil	29	120 mboed
	Devenick*		Conventional gas	89	200 mmscfd
	Kinnoull*		Conventional oil	77	50 mboed
	Skarv*	✓	Deepwater oil	24	165 mboed
	WoS Quad 204*	✓	Deepwater oil	36	130 mboed
Russia (TNK-BP)	Uvat East Expansion		Conventional oil	50	145 mboed
	Verkhnechonskoye FFD	✓	Conventional oil	34	145 mboed
Trinidad & Tobago	Serrette*		LNG gas	100	480 mmscfd

Pre FID

Location	Project	>1bn BP Net Investment	Type	WI %	Gross Capacity
Angola	Block 18 West*	✓	Deepwater oil	50	50-75 mboed
	Kiz Satellites Phase 2	✓	Deepwater oil	27	50-100 mboed
	Block 31 SE*	✓	Deepwater oil	27	under study
Asia Pacific	Browse	✓	LNG gas	17/20	12 mtpa
	Sanga-Sanga CBM	✓	LNG gas	38	under study
	Tangguh Expansion*	✓	LNG gas	37	under study
Azerbaijan	Shah Deniz FFD*	✓	Conventional gas	26	1,500 mmscfd
Brazil	Itaipu*	✓	Deepwater oil	40	under study
	Wahoo	✓	Deepwater oil	25	under study
Canada	Pike	✓	Water-flood viscous and heavy oil	50	under study
	Terre de Grace*	✓	Water-flood viscous and heavy oil	75	under study
Gulf of Mexico	Freedom	✓	Deepwater oil	22-68	100 mboed
	Mad Dog Phase 2*	✓	Deepwater oil	61	125 mboed
	Atlantis Phase 3*	✓	Deepwater oil	56	under study
	Kaskida*	✓	Deepwater oil	100	under study
	Mad Dog North*		Deepwater oil	61	under study
	Na Kika Phase 4*		Deepwater oil	50	under study
	Tiber*	✓	Deepwater oil	62	under study
Middle East	Oman FFD*	✓	Unconventional gas	80	1,000 mmscfd
North Africa	In Salah Southern Fields		Conventional gas	33	420 mmscfd
North Sea	Culzean		Conventional gas	16	under study
	Greater Clair*	✓	Conventional oil	29	under study
Russia (TNK-BP)	Russkoye	✓	Water-flood viscous and heavy oil	50	50 mboed
	Suzun	✓	Conventional oil	50	120 mboed
	Uvat Central Expansion	✓	Conventional oil	50	110 mboed
Trinidad & Tobago	Juniper*		LNG gas	100	500 mmscfd

- ● Conventional oil
- ● Deepwater oil
- ● Water-flood viscous and heavy oil
- ● Conventional gas
- ● LNG gas
- ● Unconventional gas
- * BP Operated

FFD - Full Field Development

Developments: deepwater projects

Angola

- Block 31 PSVM
- Clochas-Mavacola
- CLOV
- Pazflor
- Block 18 West
- Kizomba Satellites Phase 2
- Block 31 SE

Gulf of Mexico

- Atlantis Phase 2
- Galapagos
- Mars B
- Na Kika Phase 3
- Tubular Bells
- Freedom
- Mad Dog Phase 2
- Atlantis Phase 3
- Kaskida
- Mad Dog North
- Na Kika Phase 4
- Tiber

Brazil

- Itaipu
- Wahoo

Developments: gas projects

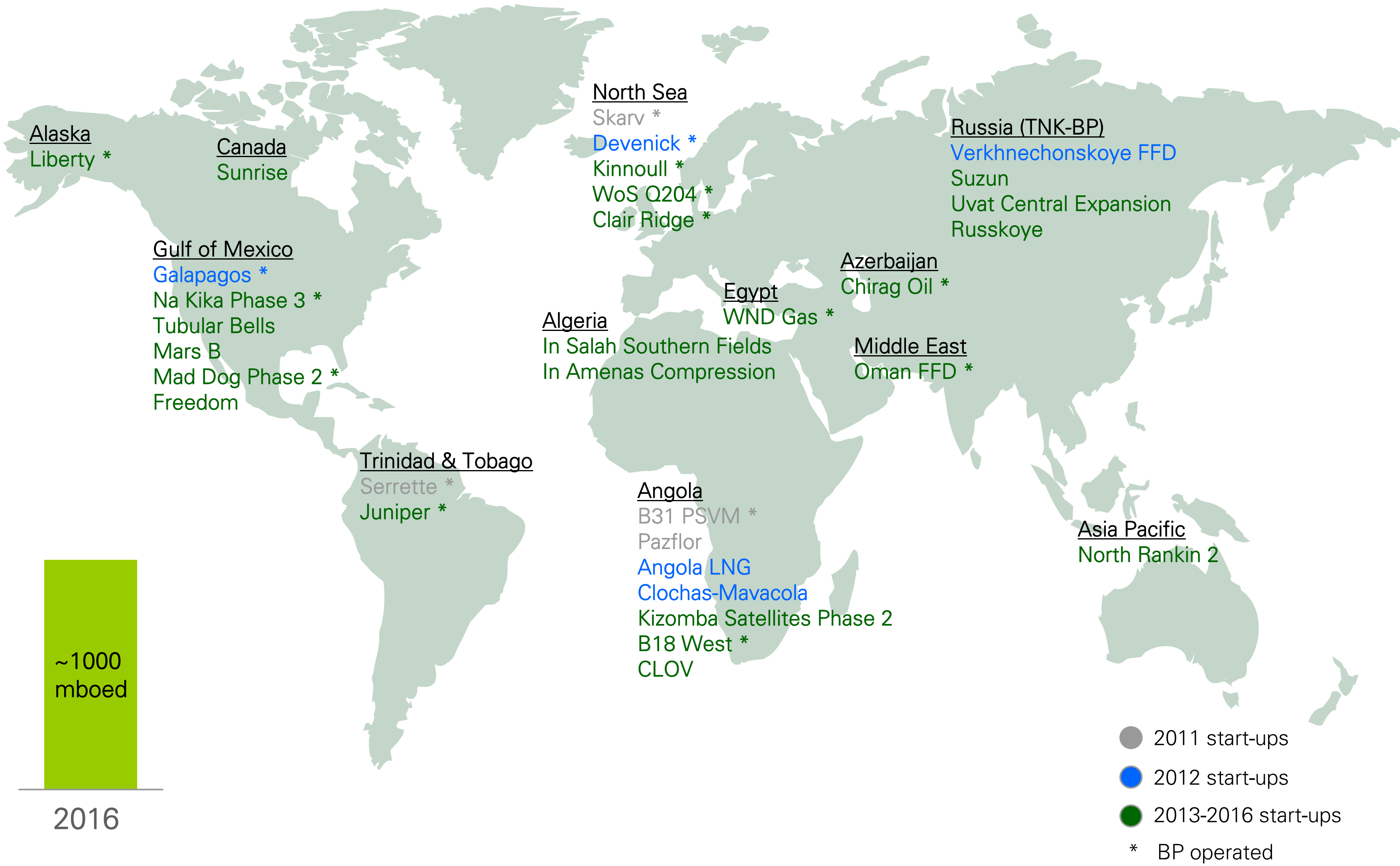
Azerbaijan
Shah Deniz Full Field Development

Oman
Khazzan-Makarem Full Field Development

Egypt
West Nile Delta

Asia Pacific
Tangguh expansion

Developments: new start-ups



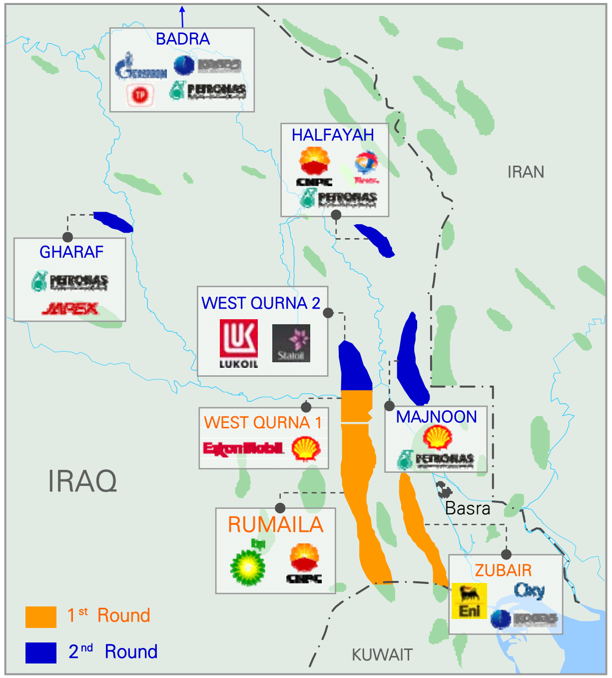
2016 production from 2011-2016 new project start-ups at $75/bbl

FFD - Full Field Development

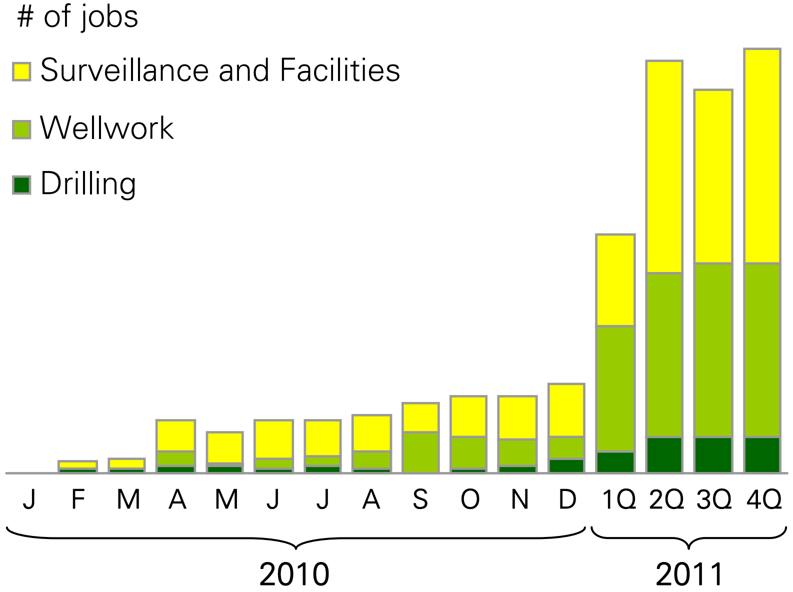
Production: Iraq

2010	2011-2012	2013+
• Set up the business • Achieved Improved Production Target (IPT)	• Cost recovery starts • Rehabilitation; inspection, maintenance, commence FEED • Water, gas, power, export solutions	• Brownfield project underway • Deliver plateau target end 2015

Company positions in Iraq 1Q 2010

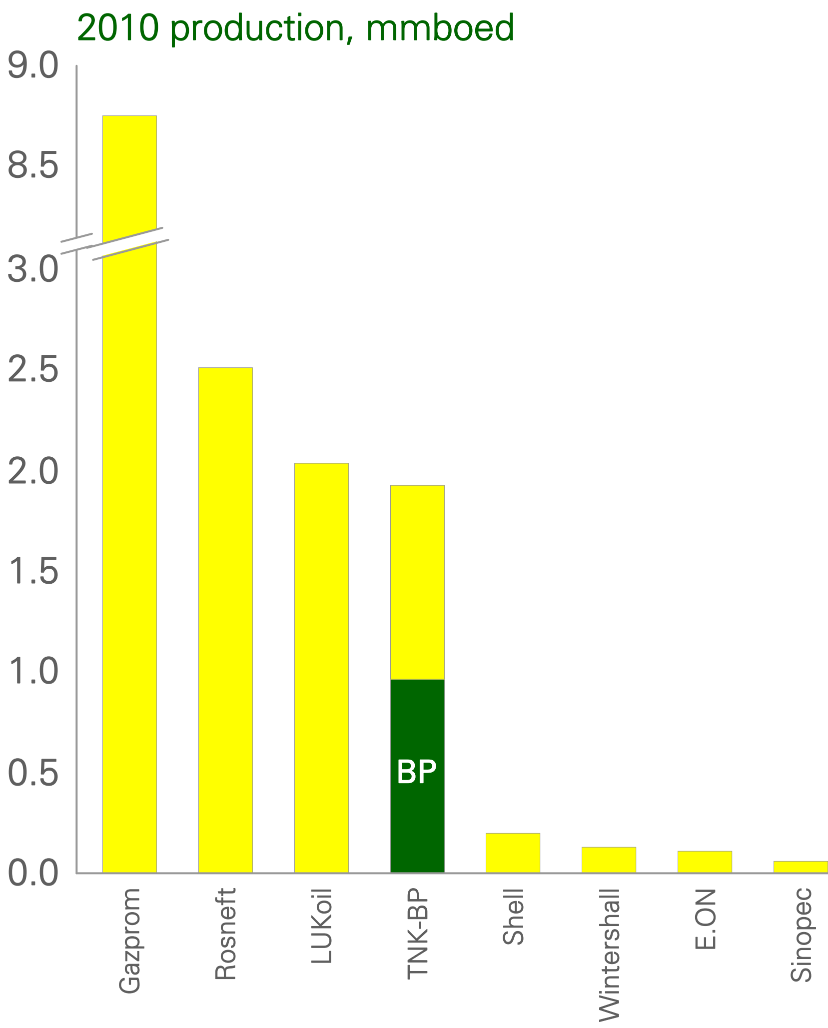


Activity ramp up after Rumaila Operating Organization established on 1 July 2010



BP projections

BP has a unique growth-oriented position in Russia



Source: Wood Mackenzie / BP internal

TNK-BP

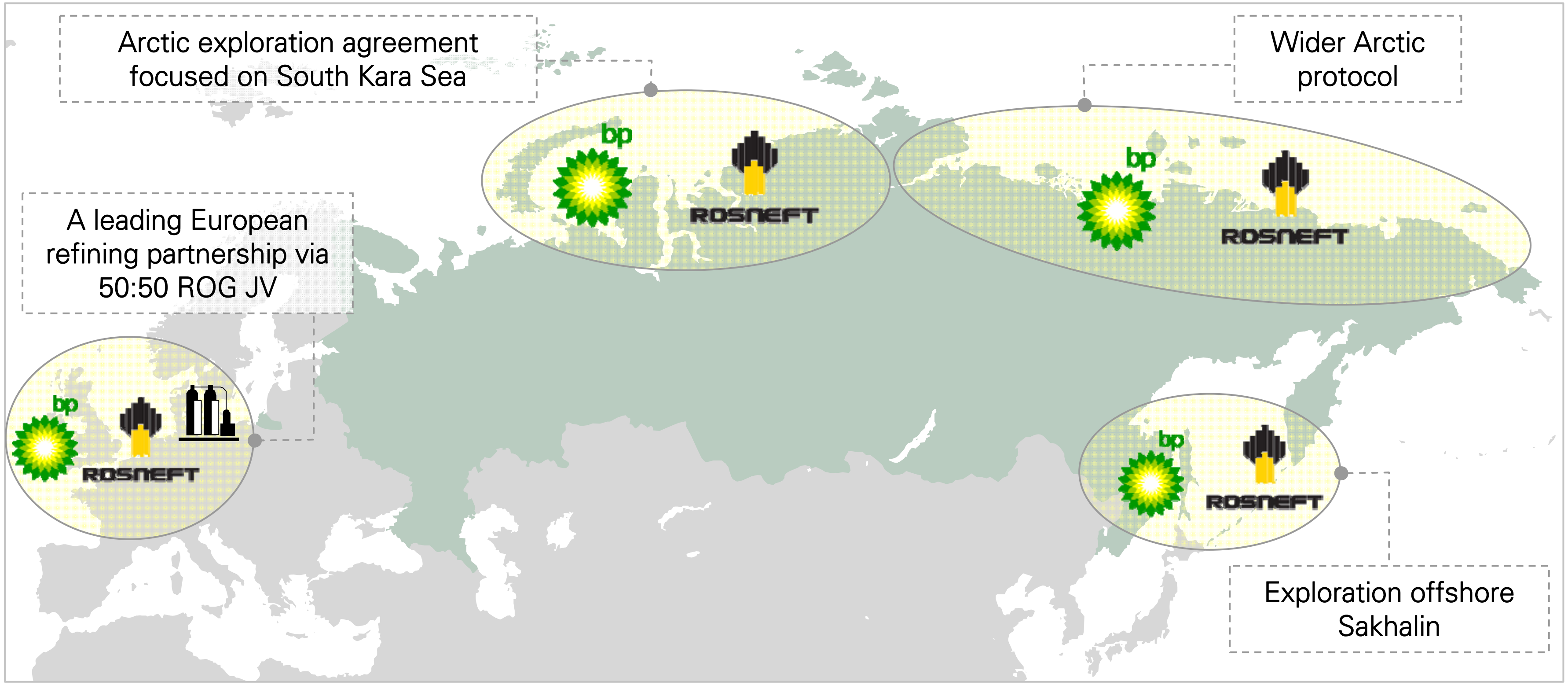
Core production areas

Project areas

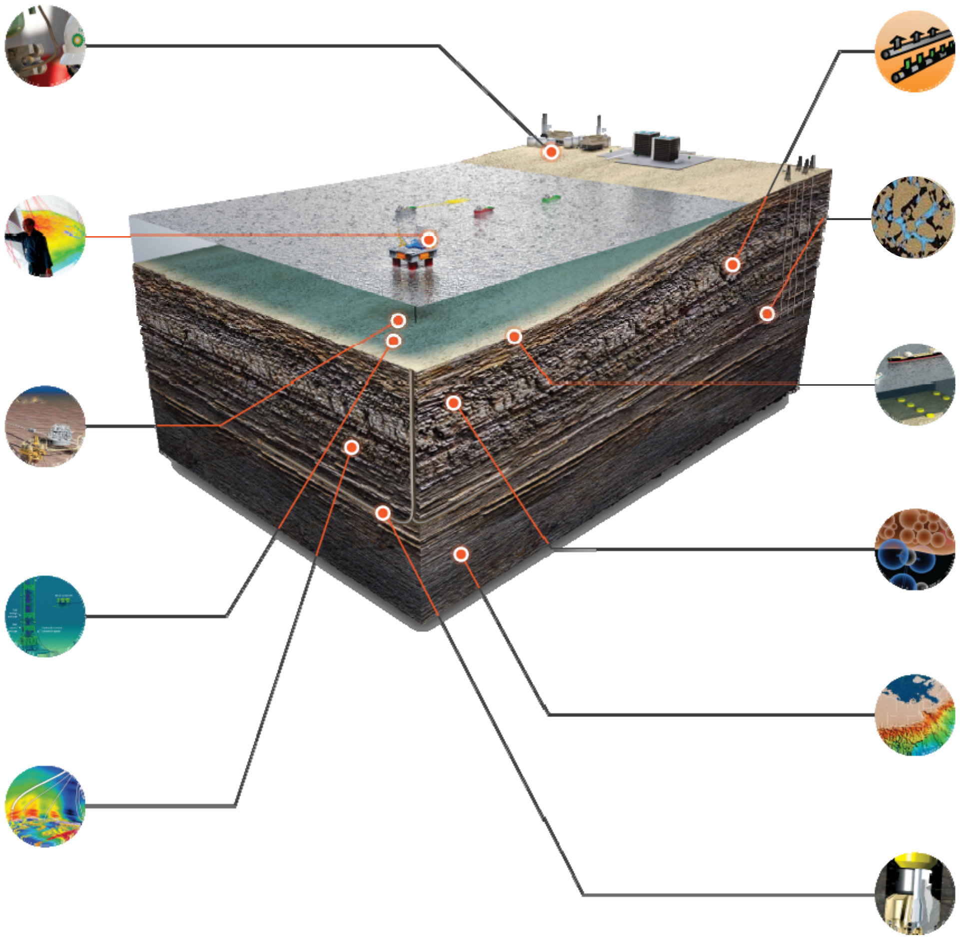
BP is forming a global strategic alliance with Rosneft

A unique alliance unlocking future growth potential for both BP and Rosneft

- International upstream collaboration
- Significant share swap



Leveraging technology to reduce risk and underpin long term reliability and value



Inherently Reliable Facilities
Managing and reducing integrity risk

FieldoftheFuture®
Digital tools for managing operational integrity threats

Subsea Well Intervention
Real time life-of-well integrity monitoring

Deepwater Facilities
New and reliable equipment for deepwater subsea systems

Effective Reservoir Access
Safe wells informed by real-time data

Unconventional Oil
Technologies for UO resource progression

Unconventional Gas
Globalize unconventional gas development through technology

Advanced Seismic
High quality and efficient reservoir imaging

Pushing Reservoir Limits
Growing recovery factors across portfolio

Gulf of Mexico Paleogene
Developing equipment and techniques for reservoir conditions

Beyond Sand Control
Real-time downhole sand monitoring, diagnostics and control

Upstream value growth

- 2010
  - Gulf of Mexico incident
  - Strategic and operational progress
- 2011 – year of consolidation:
  - Increased turnaround activity
  - Uncertainty on Gulf of Mexico timing
  - Increasing investment for growth
- Long-term value growth
  - Portfolio focus – deepwater, gas, giant fields
  - Enduring positions in best basins – relationships, resource knowledge and technology
  - Functional excellence across lifecycle: exploration, developments, production
  - Strong projects contribution – growing from a smaller base

Iain Conn
Chief Executive, Refining & Marketing

Refining & Marketing – agenda

- R&M turnaround and 2010 performance
- Strategy and portfolio
- Outlook and what you can expect

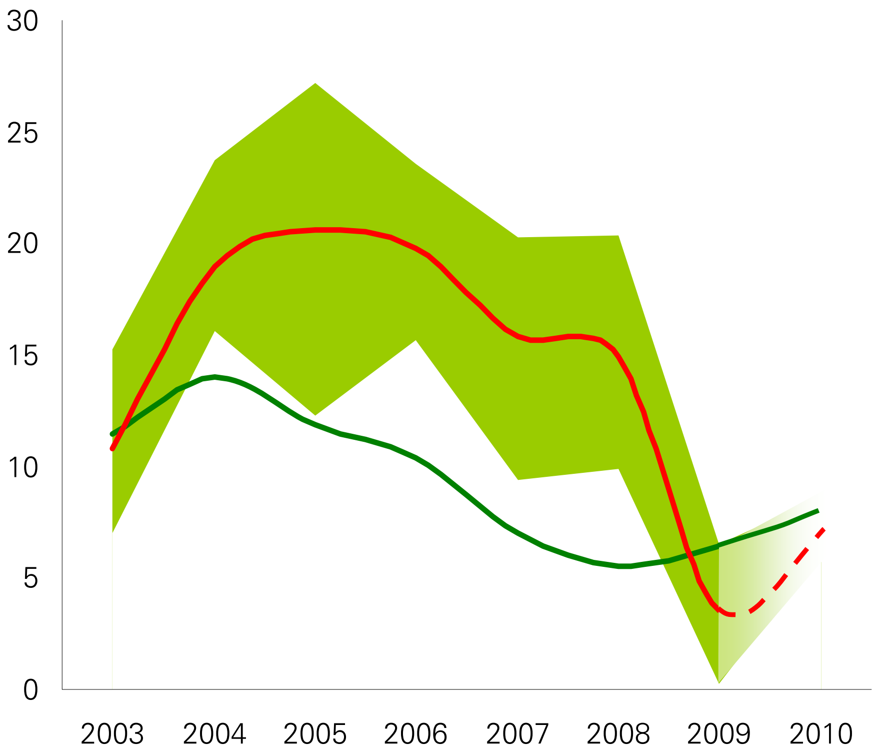
Refining & Marketing turnaround
The five priorities

- Safe operations and OMS[1]
- Behaviours and core processes
- Restoring missing revenues and earnings momentum
- Business simplification
- Repositioning cost efficiency

(1) Operating Management System

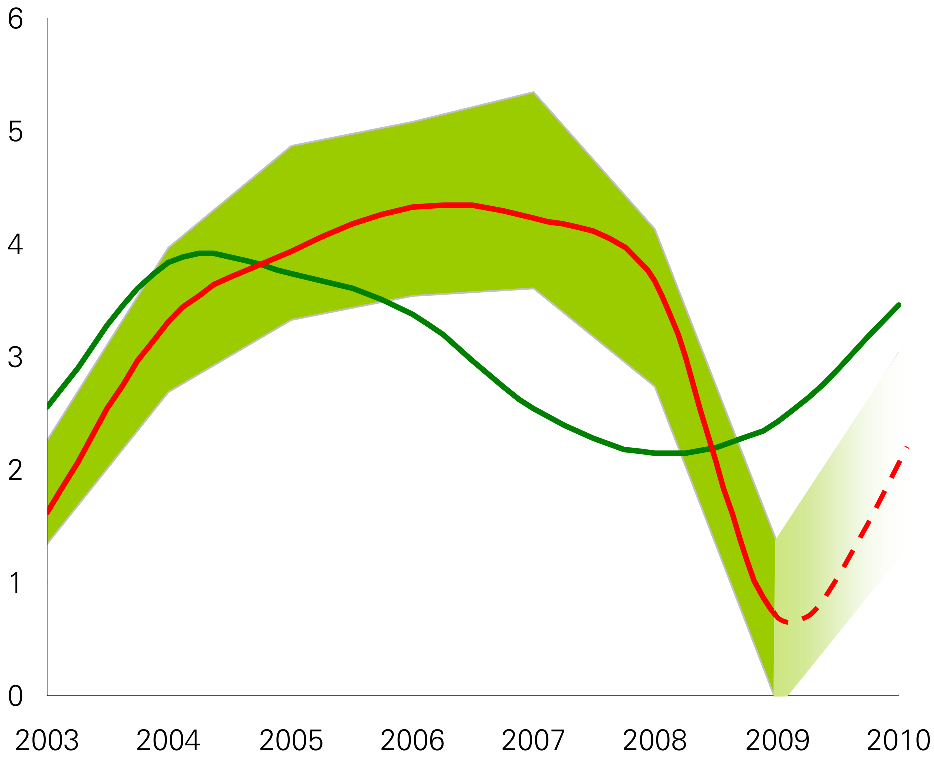
Delivering competitive performance

Underlying ROACE % (post tax)(1)



Underlying net income $/bbl(3)

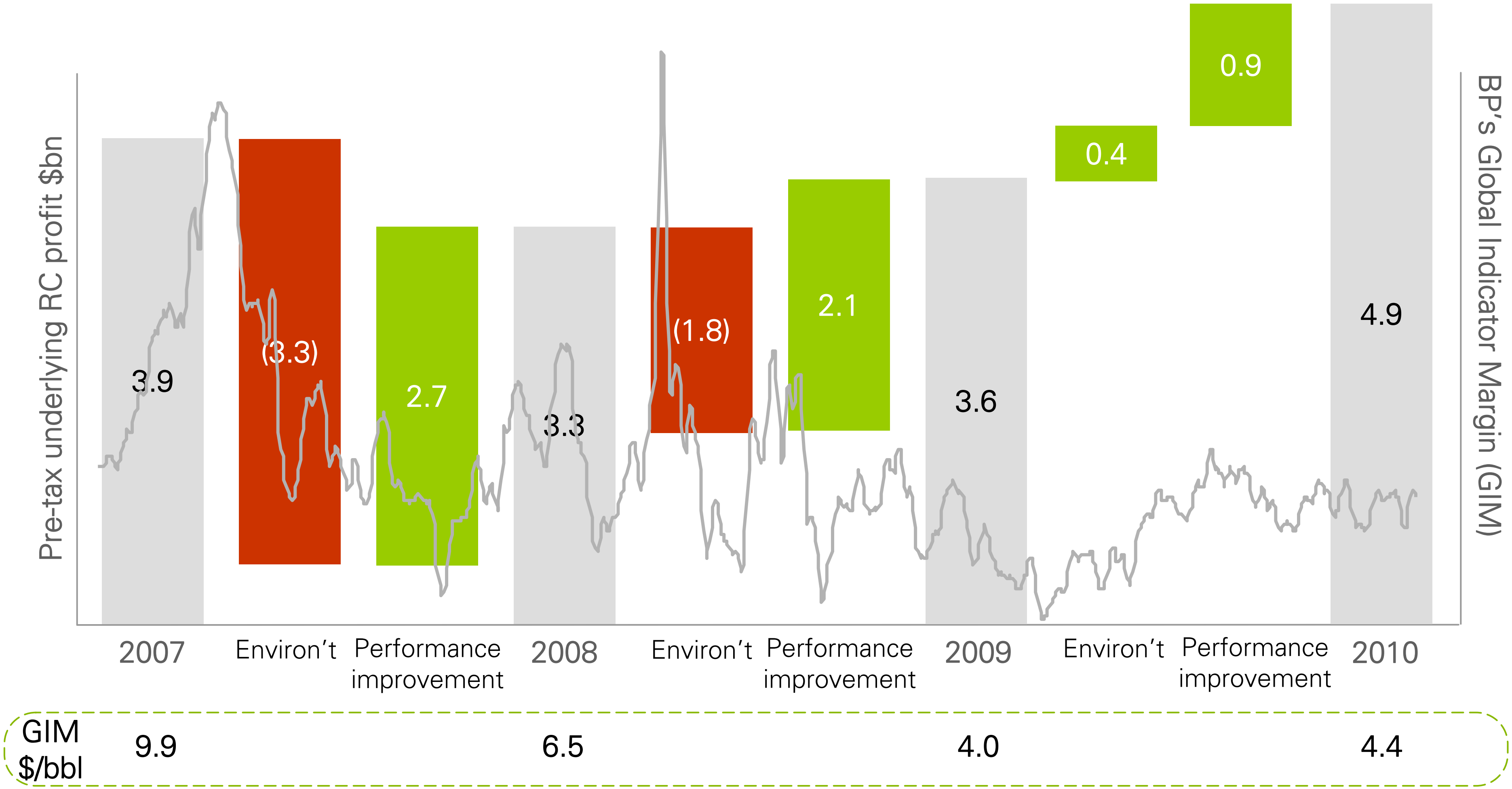
Rolling 4-quarter data



Competitor average(2) — BP R&M — Competitor range(2)

(1) BP and competitor return on average capital employed data adjusted to comparable basis
(2) Competitor set comprises R&M segments of Super Majors
(3) Capacity as stated in F&OI / company disclosures
(4) 2010 competitor data are 3Q YTD plus average broker estimates for 4Q. 2010 competitor capital employed are last reported 2009 data.

Performance momentum 2007–2010



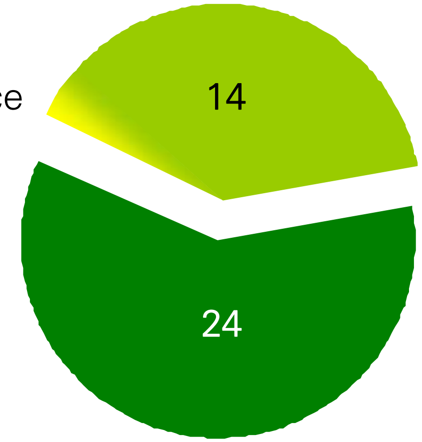
Environment adjusted for refining margins, petrochemical margins, forex and energy costs

Our portfolio and performance 2007–2010

2010 average operating capital employed (pre tax) $bn

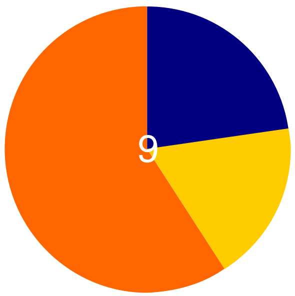
Fuels Value Chains

Convenience



International Businesses

Petrochemicals

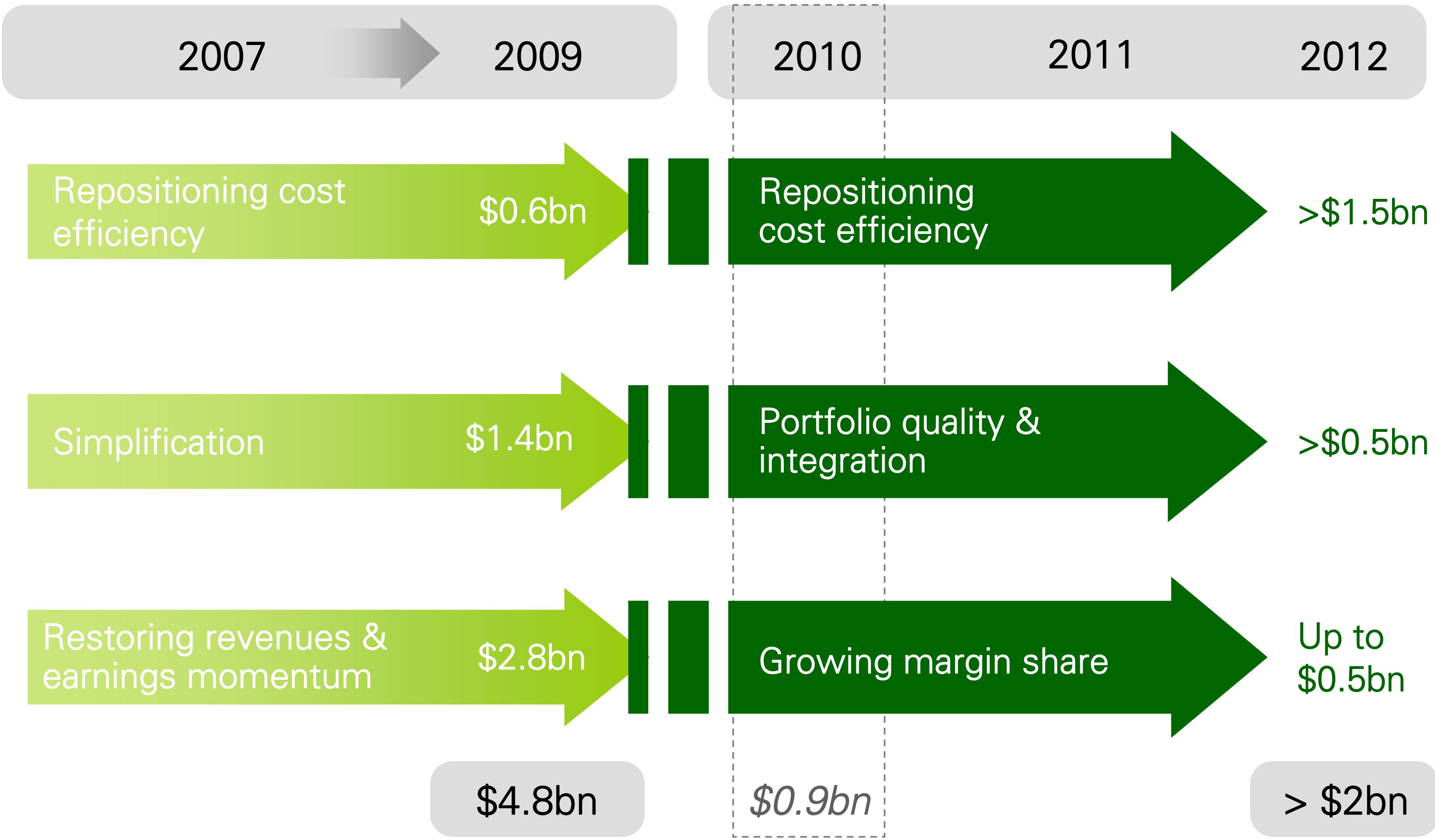


Pre-tax underlying RC profit $bn

	2007	2008	2009	2010
Fuels Marketing and Supply	1.2	2.0	3.1	1.7
Refining	1.2	(0.7)	(1.6)	0.3
Lubricants / Global Fuels	1.5	2.0	2.1	2.9
Total Refining & Marketing	3.9	3.3	3.6	4.9

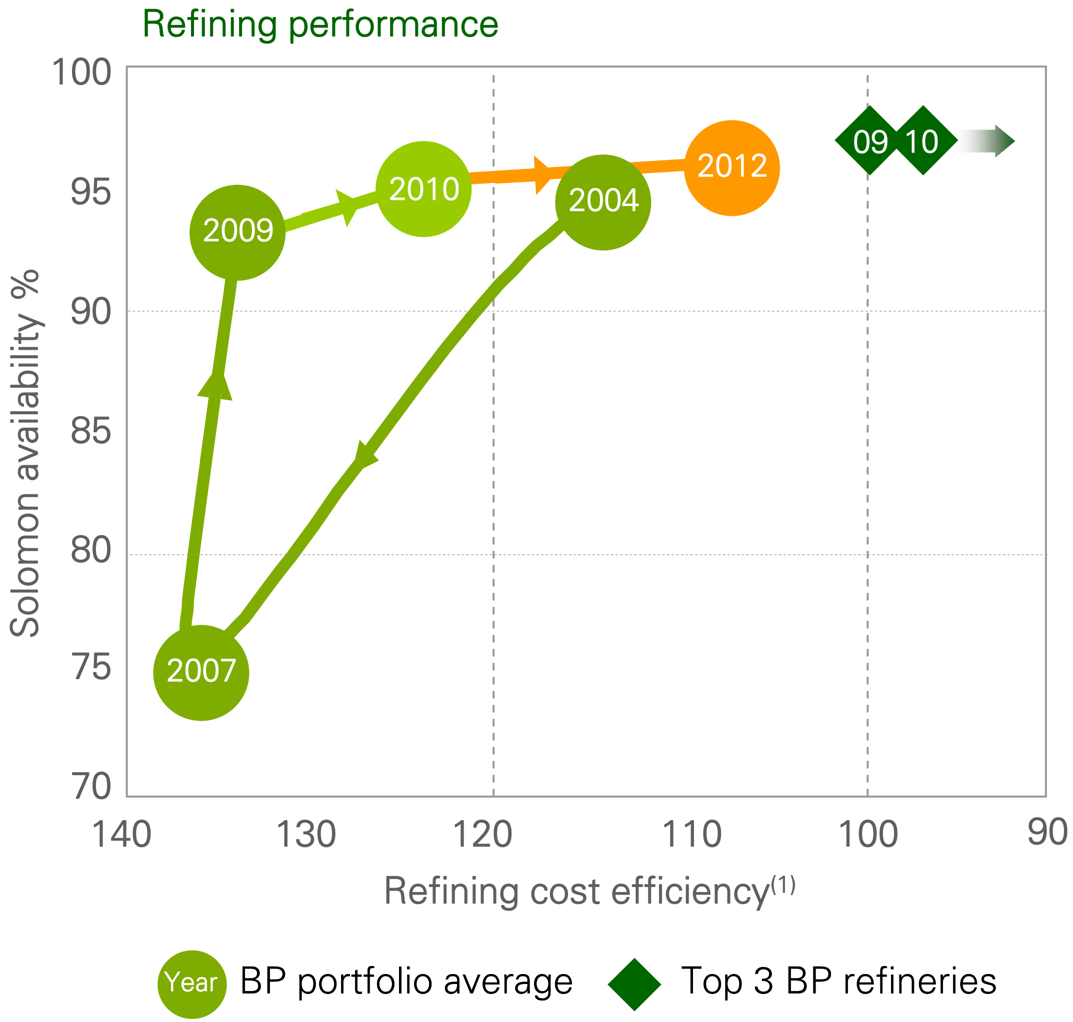
Relative areas in pie charts based on average operating capital employed (pre tax)

2010 performance delivery



Values based on underlying pre-tax RCP pa at 2009 conditions

Improving efficiency
Refining



(1) Based on Solomon non-energy operating expense per Effective Distillation Capacity (indexed to top three BP refineries) 2010 data point is based on internal BP estimates. Solomon benchmarking data analysis available mid 2011.

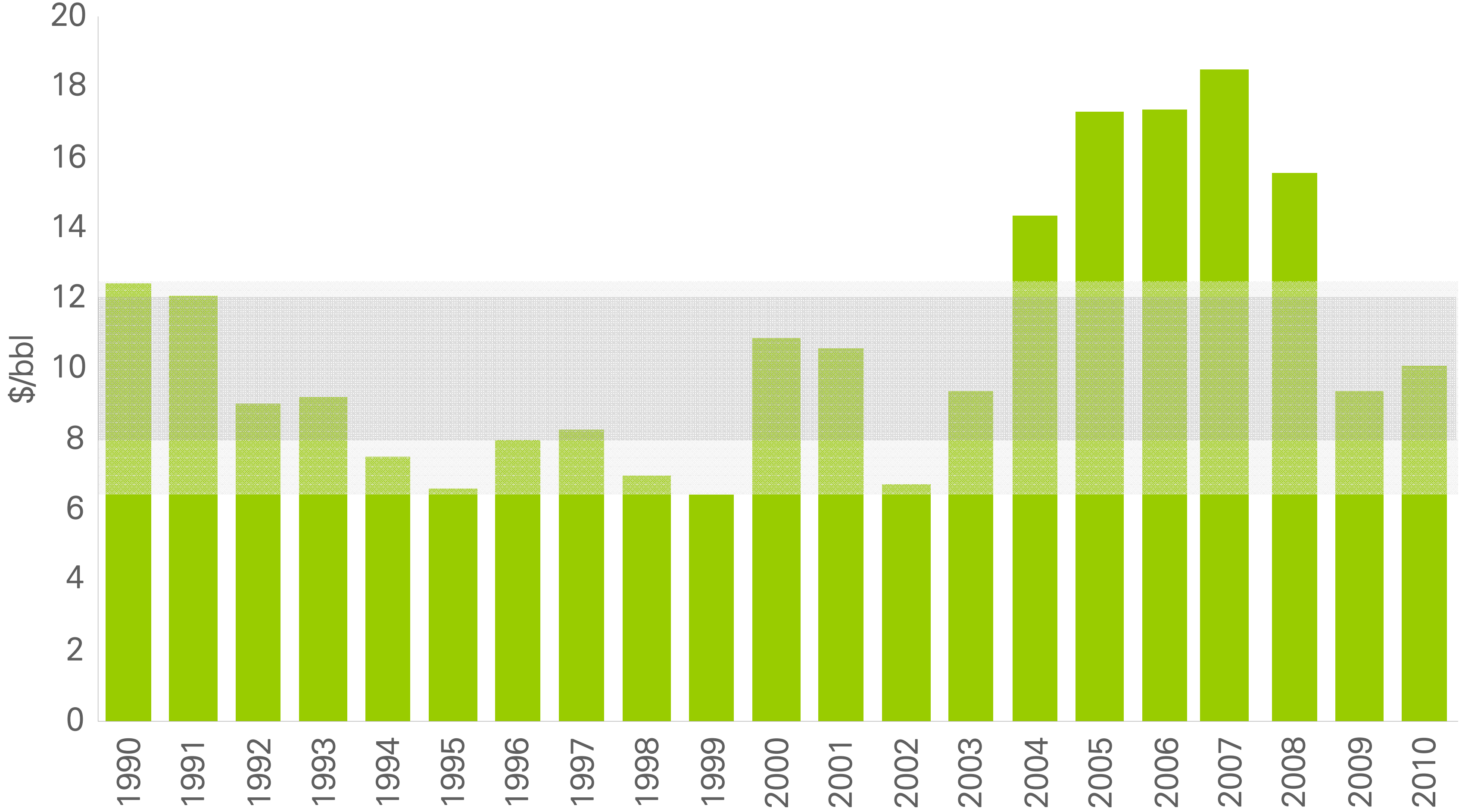
Repositioning cost efficiency

BP Refining & Marketing cash cost index

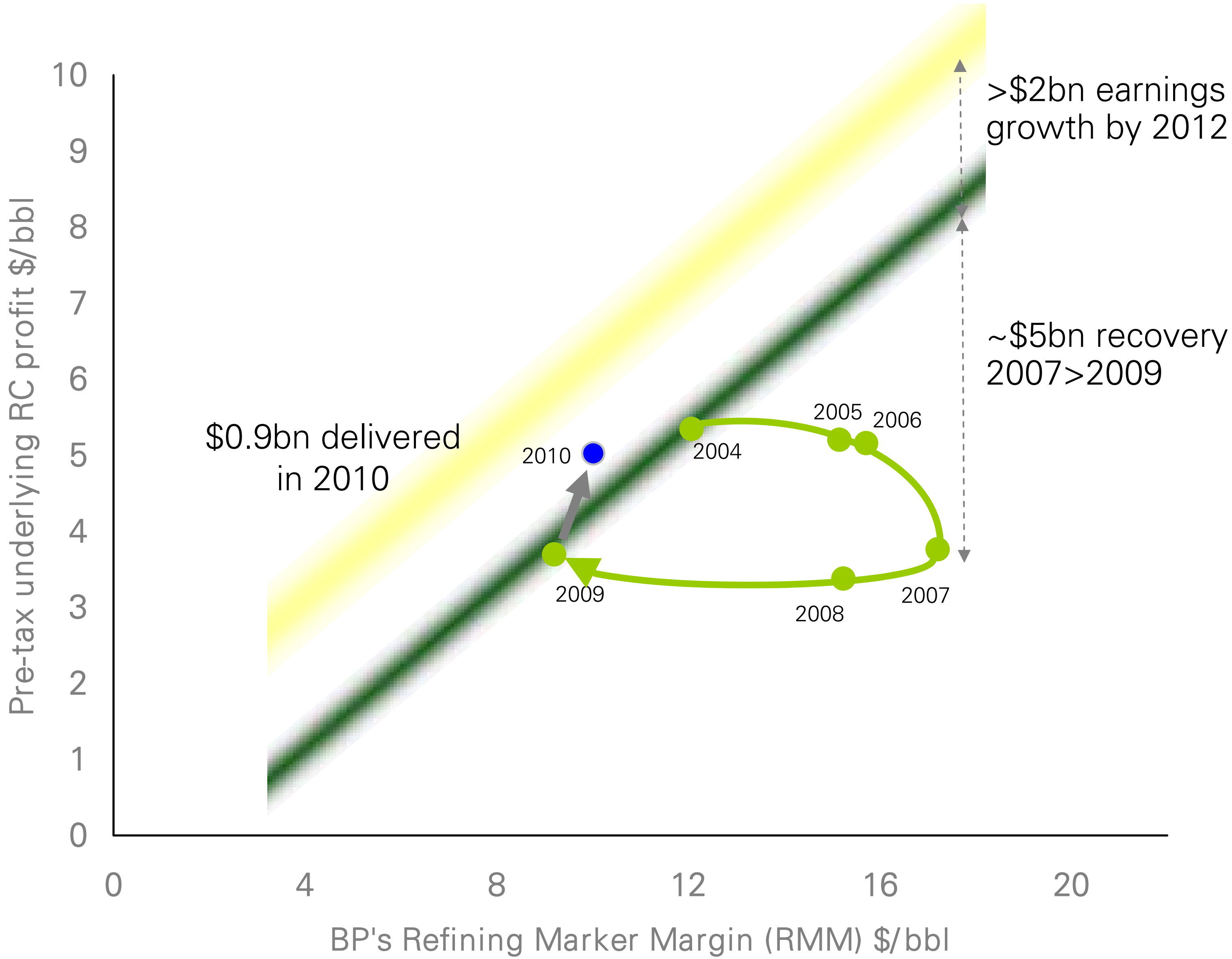
(1) *Corrected for major historic divestments*
(2) *Refinery turnaround costs*
(3) *Variable costs associated with petrochemicals and refining operations*

Refining Marker Margin 1990–2010

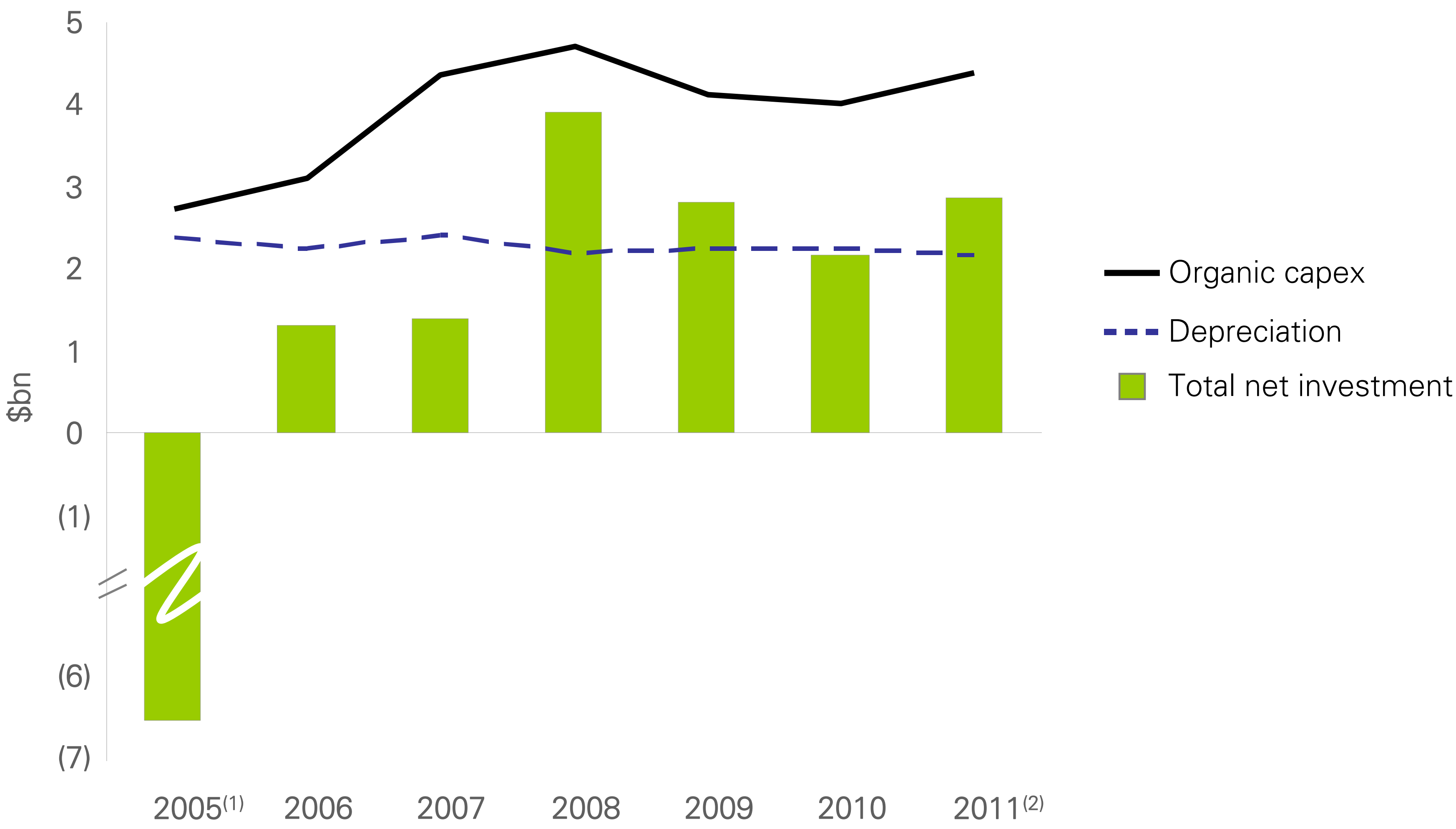
Refining Marker Margin adjusted to 2010 $



2010 performance progression



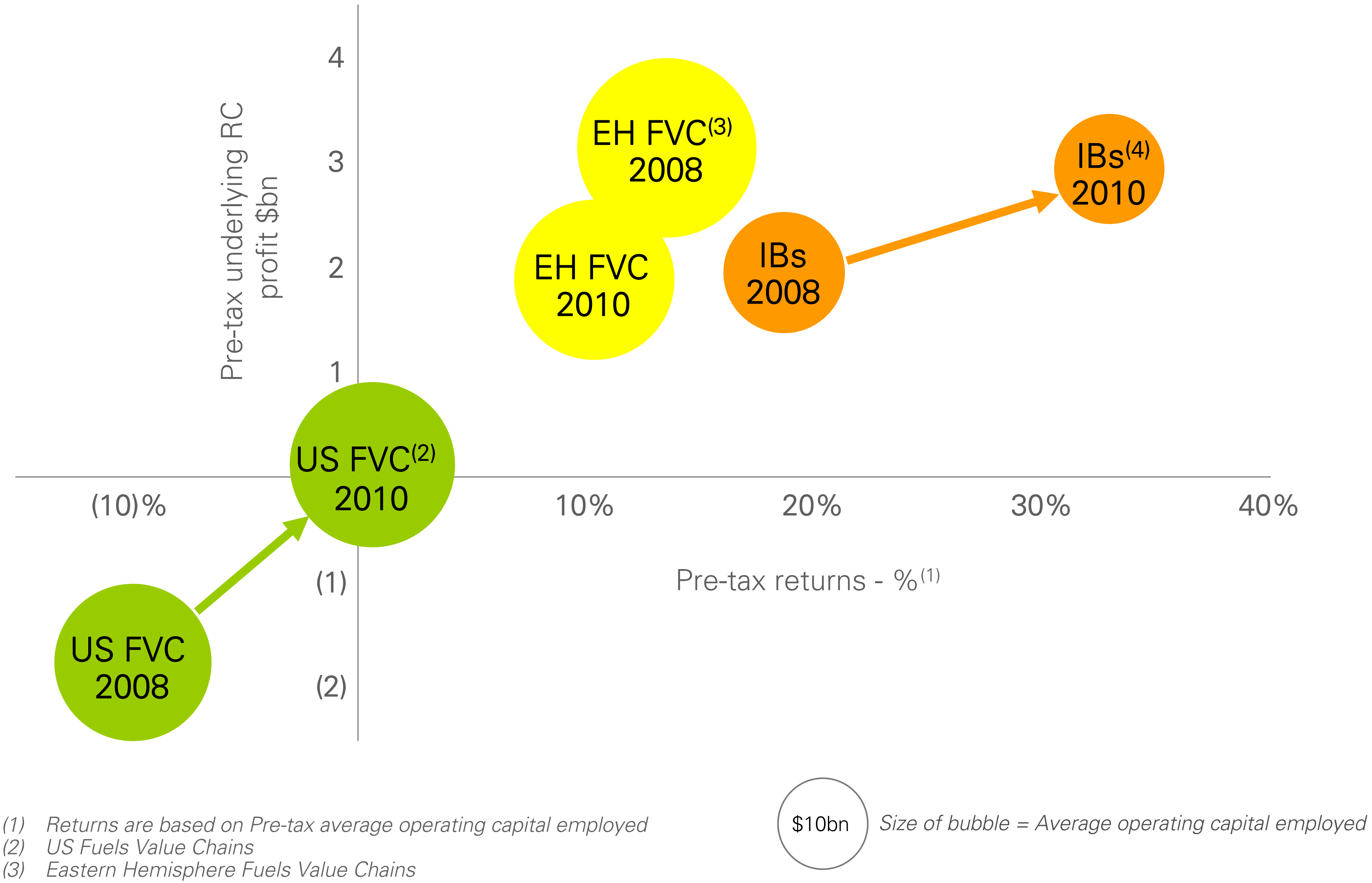
Net investment



(1) Includes $8.3bn proceeds for Innovene sale
(2) 2011 BP projections

Portfolio performance 2008–2010

Fuels Value Chains & International Businesses progression



(1) Returns are based on Pre-tax average operating capital employed
(2) US Fuels Value Chains
(3) Eastern Hemisphere Fuels Value Chains
(4) International Businesses

Strategy and portfolio

1 Reposition US Fuels Value Chains and halve US refining capacity

- Divest Texas City refinery[(1)]
- Divest Southern West Coast Fuels Value Chain[(1)]
- Transform Whiting refinery capability
- Improve Cherry Point and Toledo refineries
- Focused marketing and logistics footprint

2 Improve Eastern Hemisphere Fuels Value Chains and access market growth

- Rotterdam hydrocracker option
- Gelsenkirchen yield improvement option
- Focused marketing and logistics footprint
- Marketing margin growth

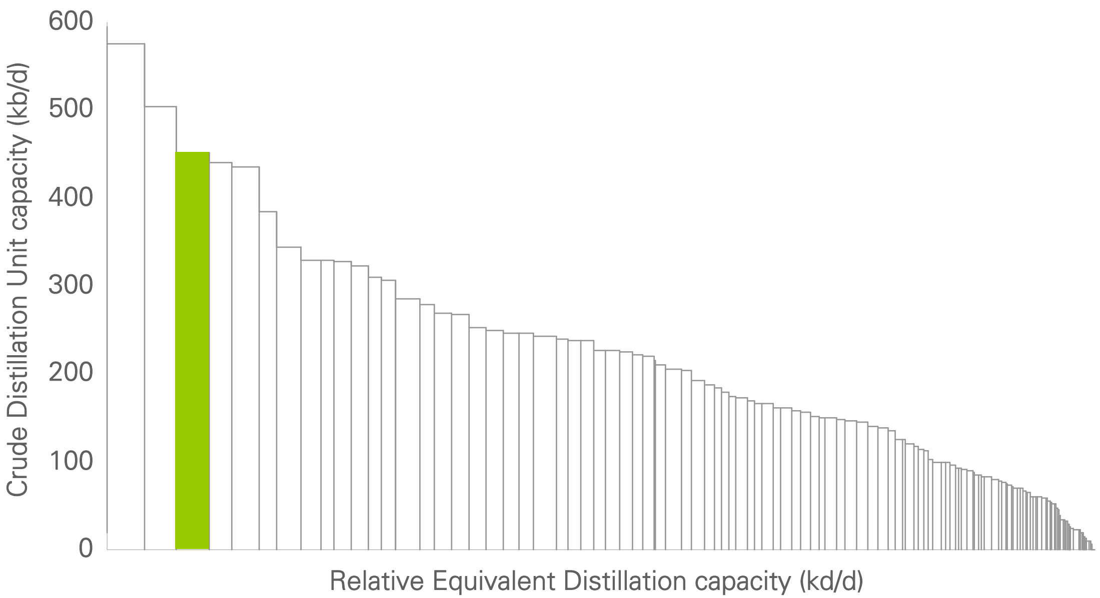
3 Growth in high quality International Businesses

- Lubricants volume / earnings growth and margin mix
- Petrochemicals expansion in Asia
- Air BP growth

(1) Subject to legal and regulatory approval

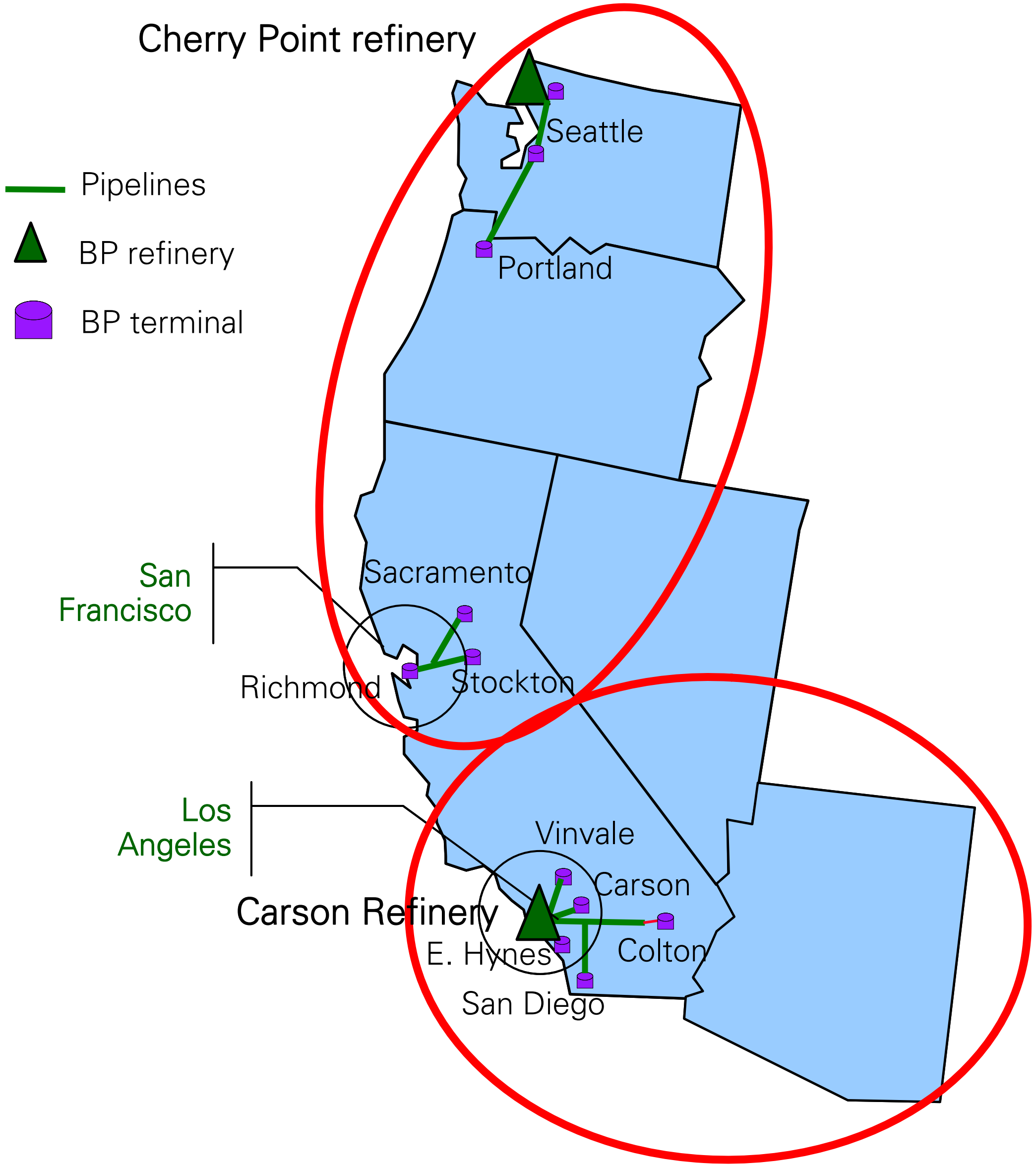
Divest Texas City refinery

- 3rd largest US refinery, highly complex[1]
- Significant improvement in safety and operations
- $2.5bn p.a. improvement in profit[2]
- Plan to complete before end 2012[3]
- BP's obligations will be fulfilled



(1) *Source: Oil and Gas Journal 2010*
(2) *Environment adjusted pre-tax underlying RC profit*
(3) *Subject to legal and regulatory approval*

Divest Southern West Coast Fuels Value Chain



Retain Northern Fuels Value Chain

- High quality modern refinery
- Feedstock flexibility and location
- Diesel/ Jet yield focus
- Good integrated margins and relative returns

Divest Southern Fuels Value Chain

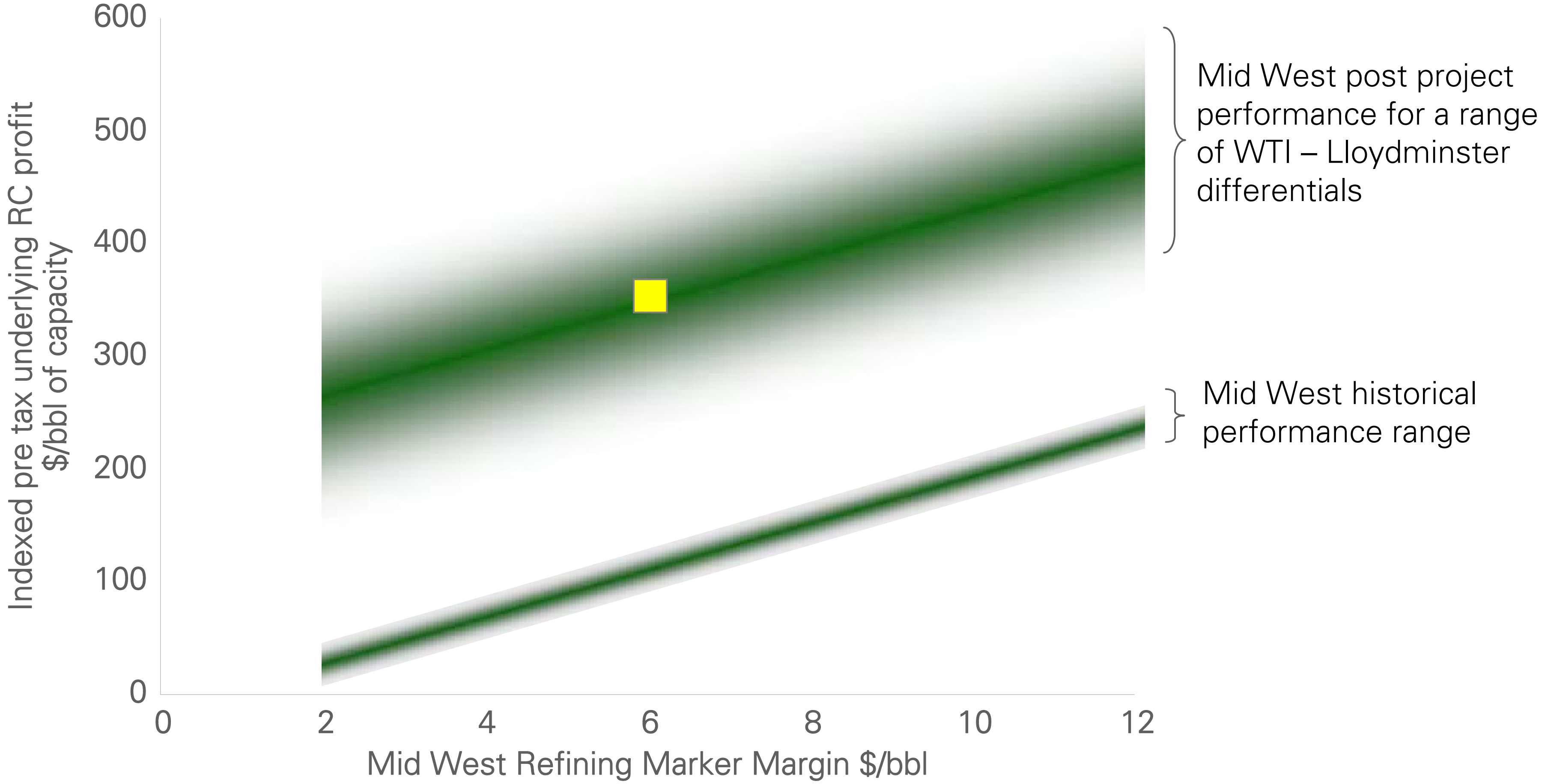
- High quality refinery, high market share
- Limited feedstock flexibility
- Gasoline yield focus
- Will require investment to reposition

Whiting Refinery Modernization Project

- Major rebuild of CDU[1] to process heavy crude
- World scale 100kbd state of the art 6 drum coker
- New world scale sulphur removal and gas oil hydro-treating units
- Refinery infrastructure upgrade
- ~60% complete 2010 > commissioning 2013

(1) Crude Distillation Unit

Whiting Refinery Modernization Project
Sources of value

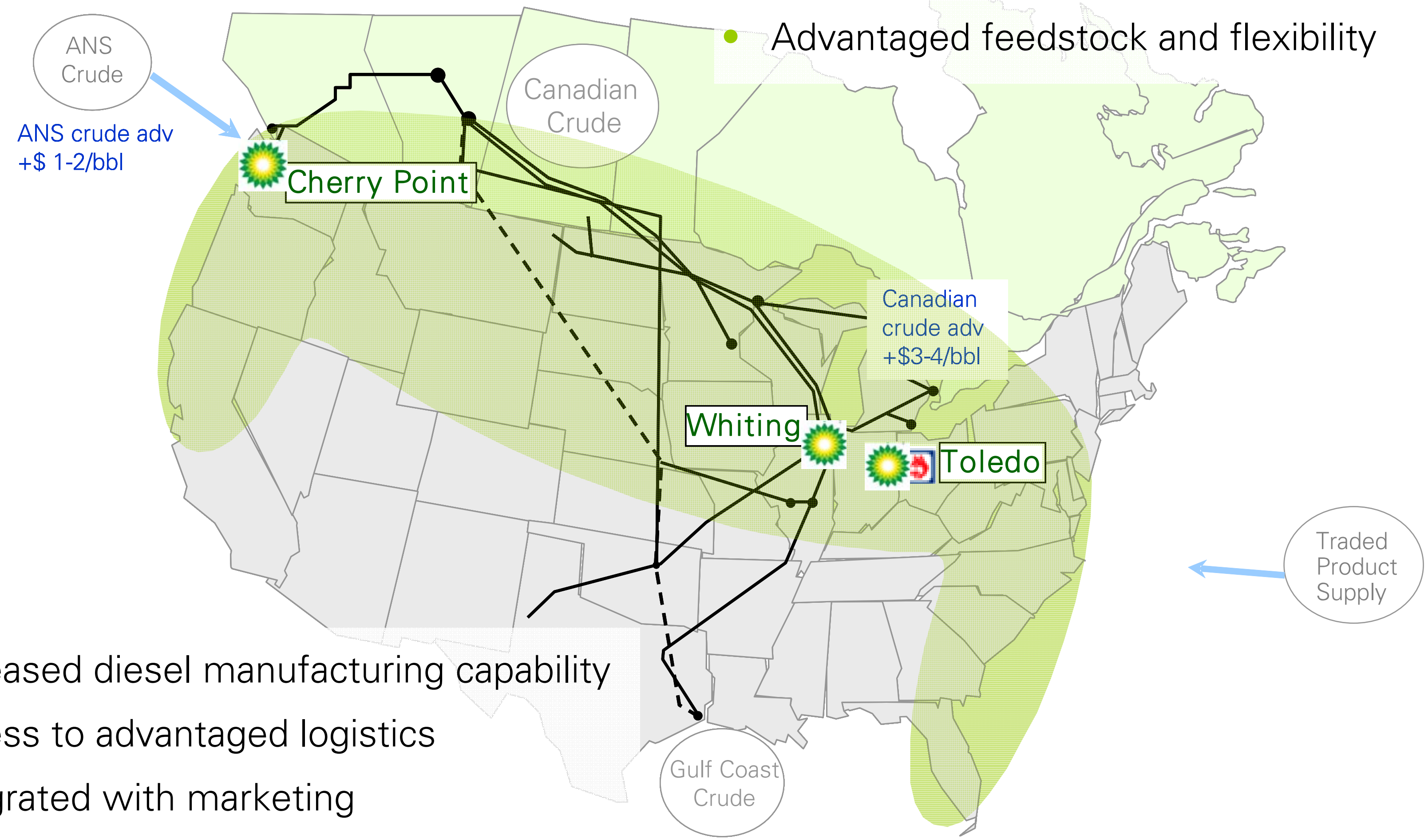


Regression line established from rolling 4Q average 1Q'02–1Q'07
Based off nameplate capacity as stated in F&OI = maximum sustainable rate for a 30 day period

On-stream performance at end 2010 refining environment

Repositioned US Fuels Value Chains

- US refining capacity halved
- Repositioned configurations
- Advantaged feedstock and flexibility

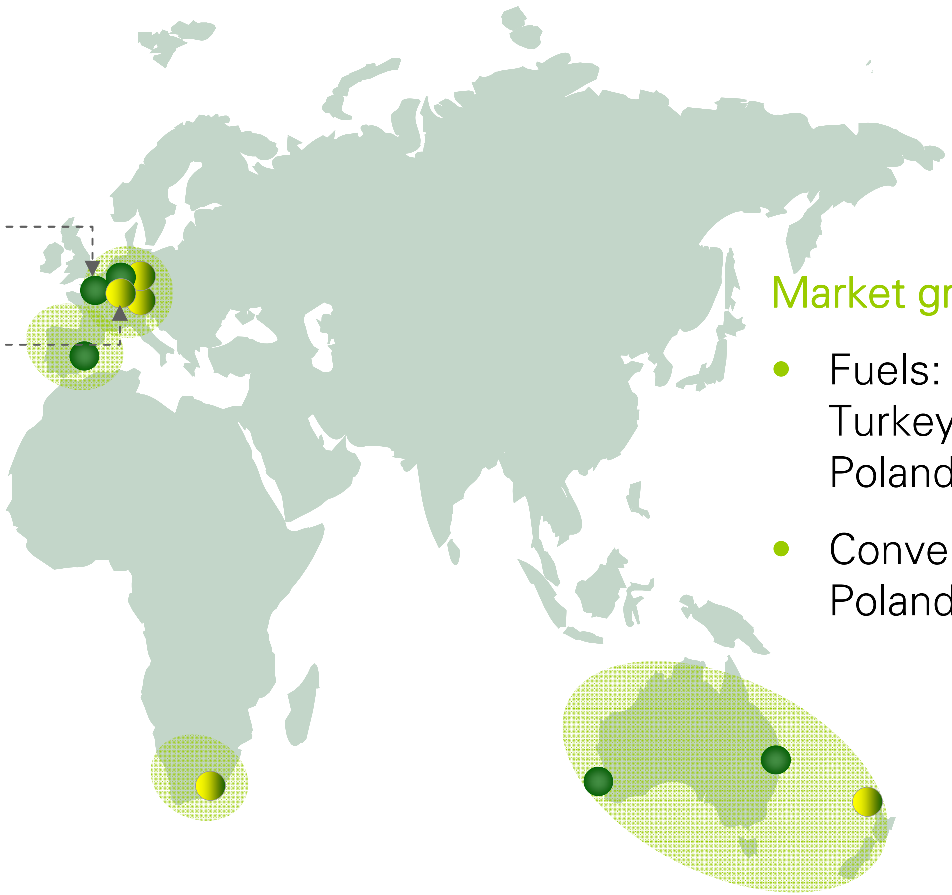


- Increased diesel manufacturing capability
- Access to advantaged logistics
- Integrated with marketing

Improve Eastern Hemisphere Fuels Value Chains, access market growth

Margin growth options

- Rotterdam hydrocracker
- Gelsenkirchen yield improvement

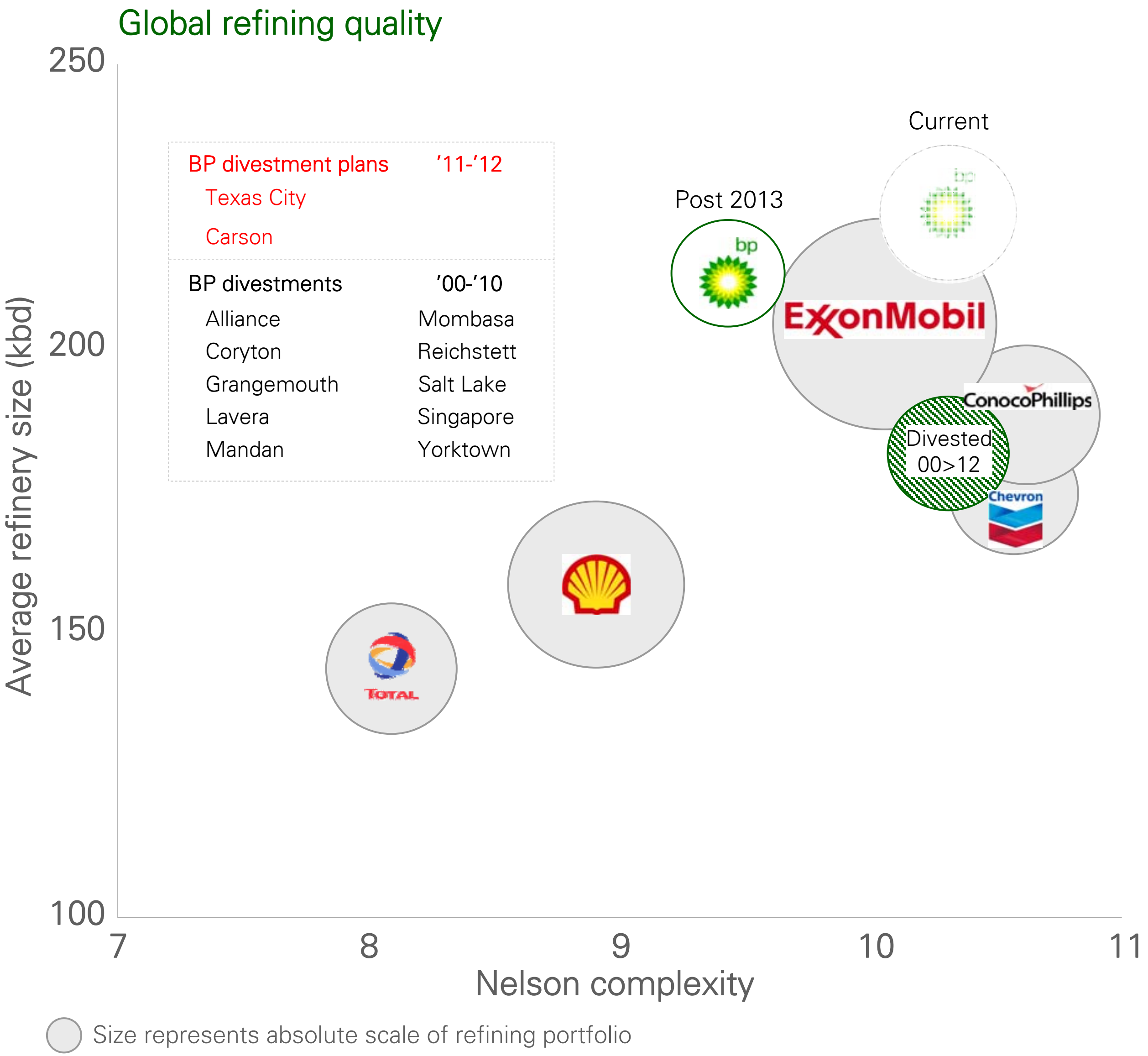


Market growth

- Fuels: China, Australasia, Turkey, South Africa, Poland, Iberia
- Convenience: Rhine, Poland, Australasia, UK

- BP owned refinery
- Joint BP owned refinery

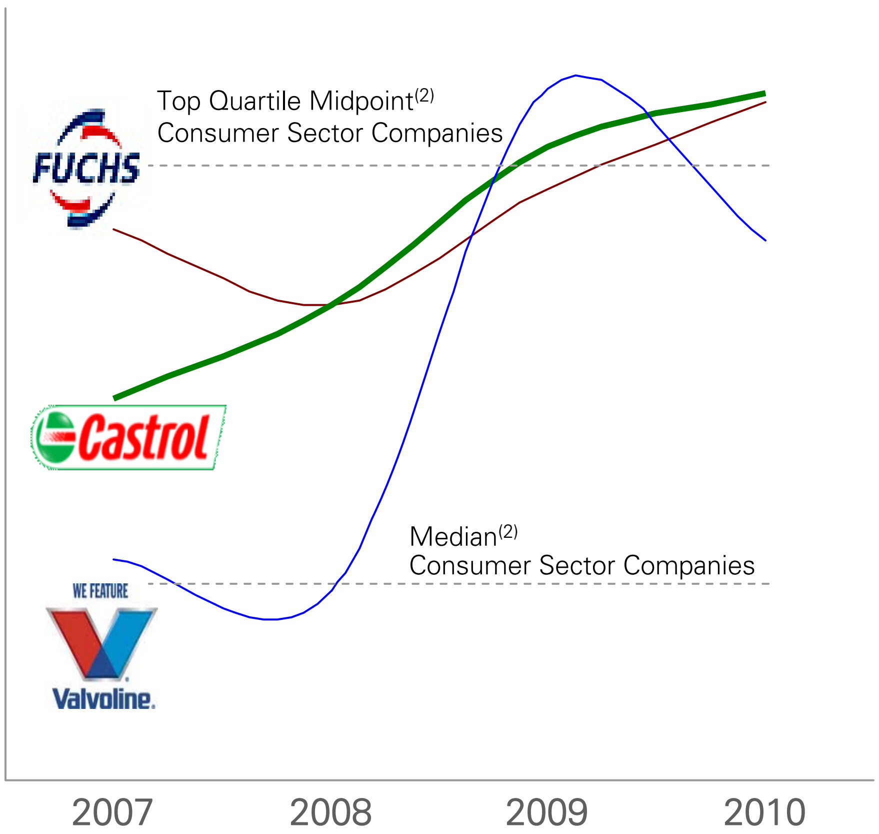
Impact of portfolio choices – refining



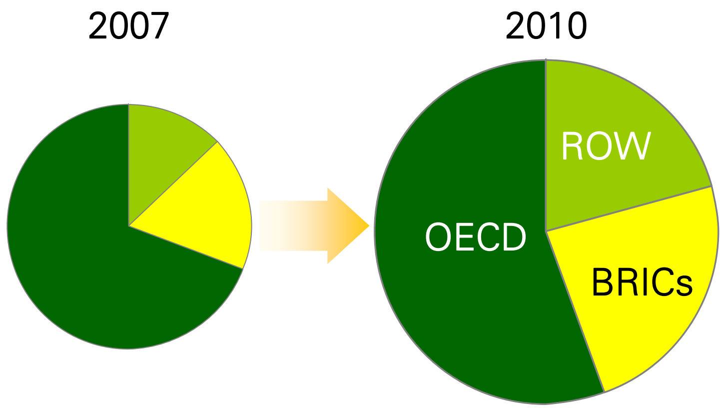
Source: Oil & Gas Journal 2010

Lubricants – high returns, high growth

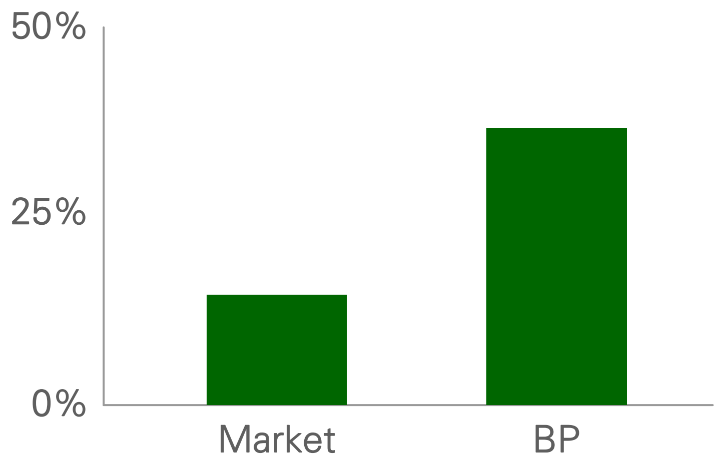
Return on sales[1]



Profit growth[3]

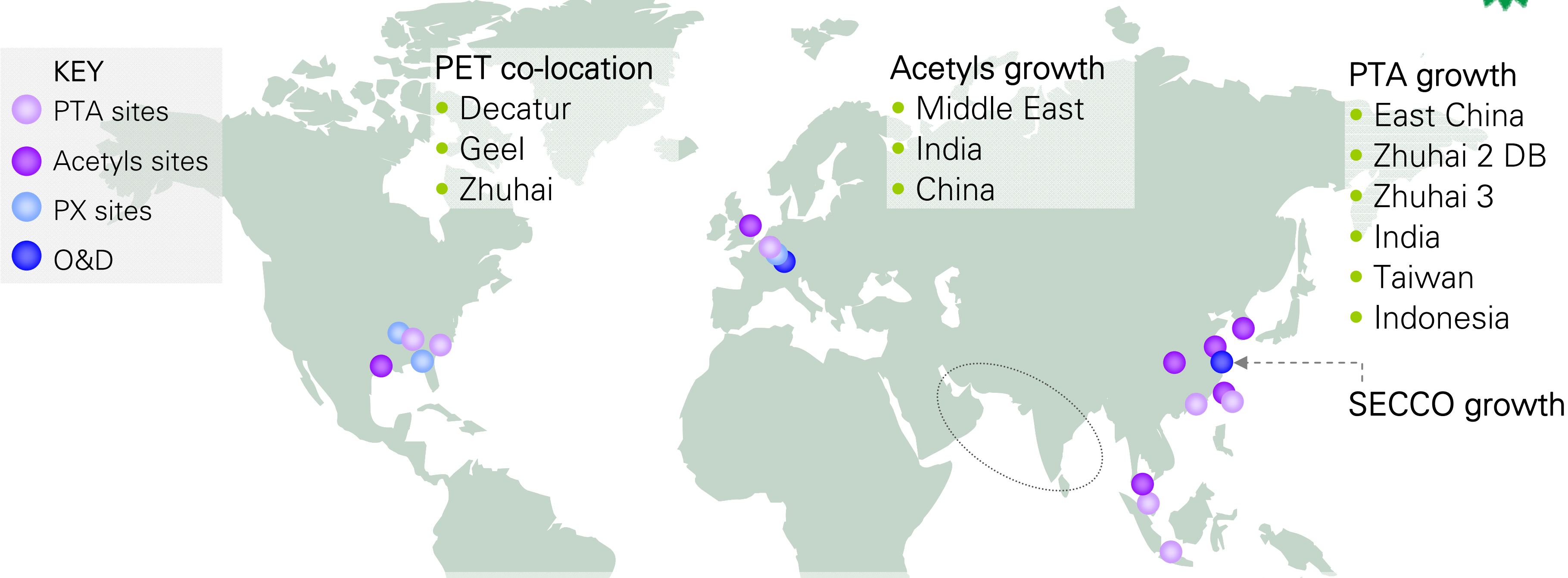


Synthetic/premium lubricants sales[4]

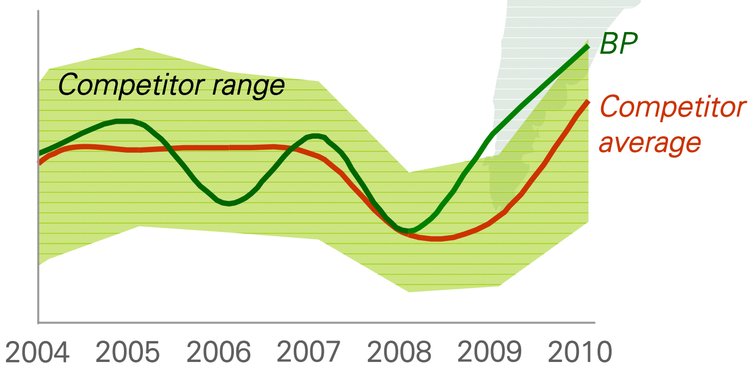


(1) *Pre tax basis. 2010 based on 3Q YTD*
(2) *Based on average 2007-09 performance of 2,500+ consumer sector companies*
(3) *Pre-tax underlying RC profit - inland lubricants excluding aviation and marine lubricants*
(4) *BP estimates based on available industry data and internal analysis. Expressed as a percentage of total automotive engine lubricants sales.*

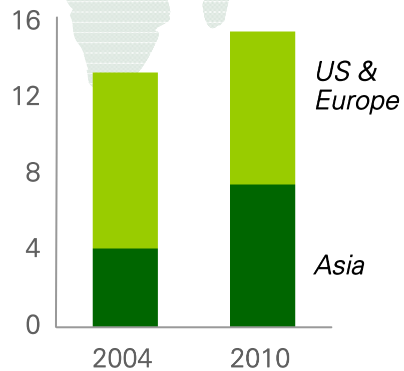
Petrochemicals – high quality, Asia growth



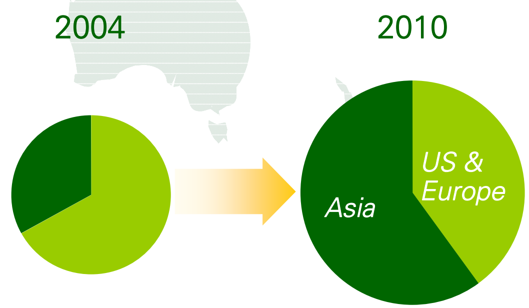
Return on sales[1]



Production MTes

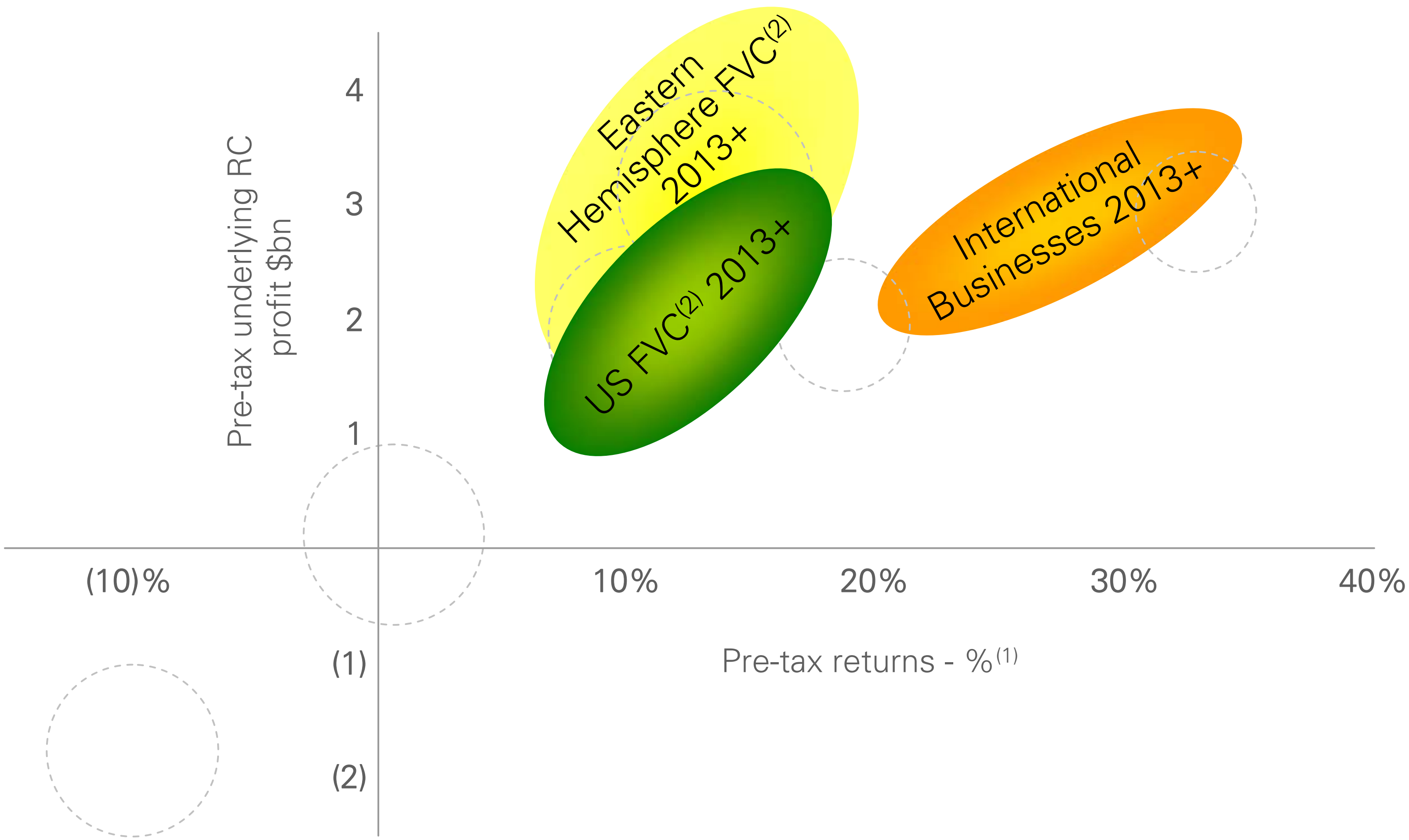


Profit growth[2]



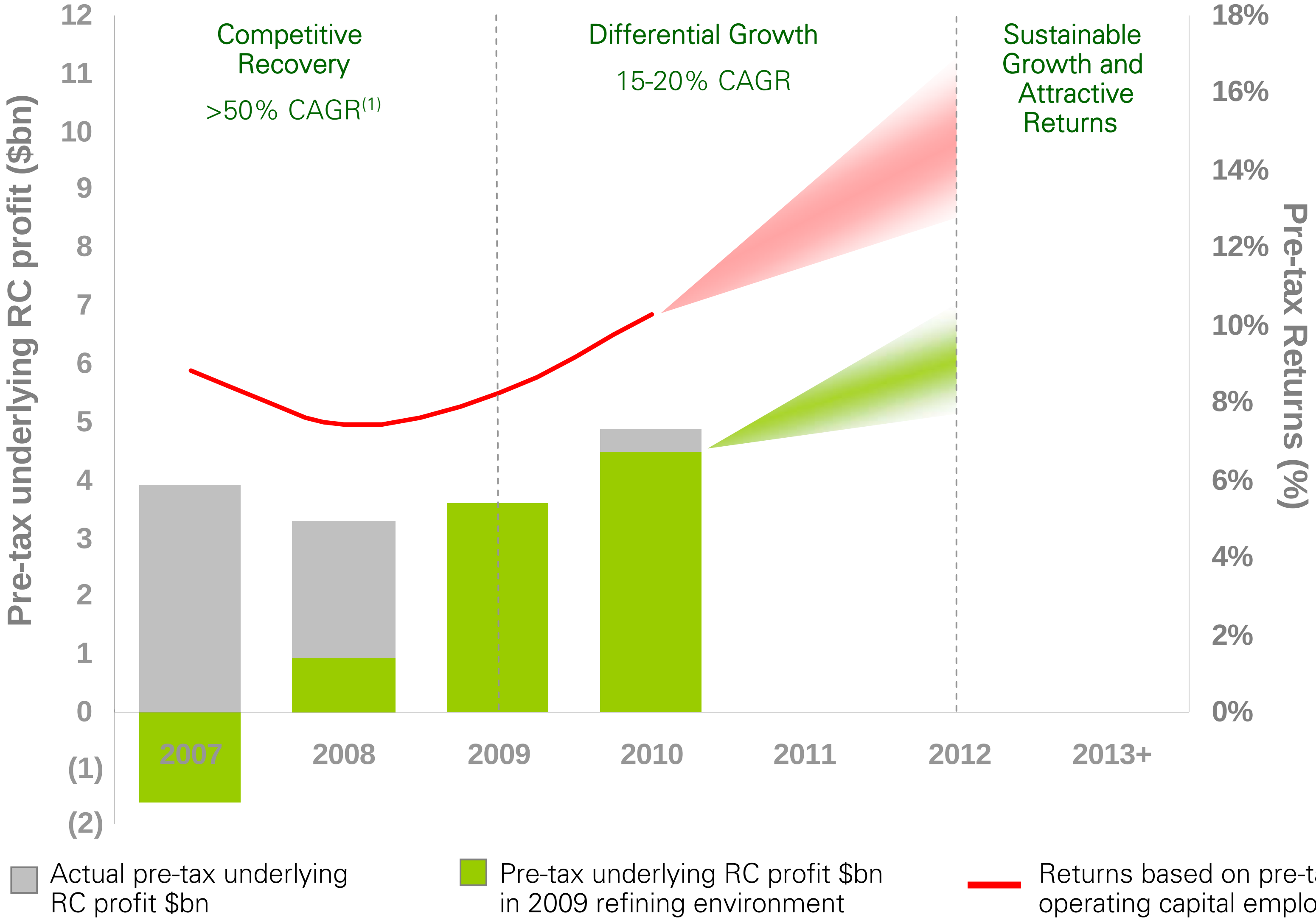
(1) *Post tax adjusted to comparable basis. 2010 based on 3Q YTD*
(2) *Pre-tax underlying RC profit*

Portfolio performance outlook



(1) *Returns are based on pre-tax average operating capital employed*
(2) *Fuels Value Chains*

Refining & Marketing growth and returns



(1) Compound Annual Growth Rate

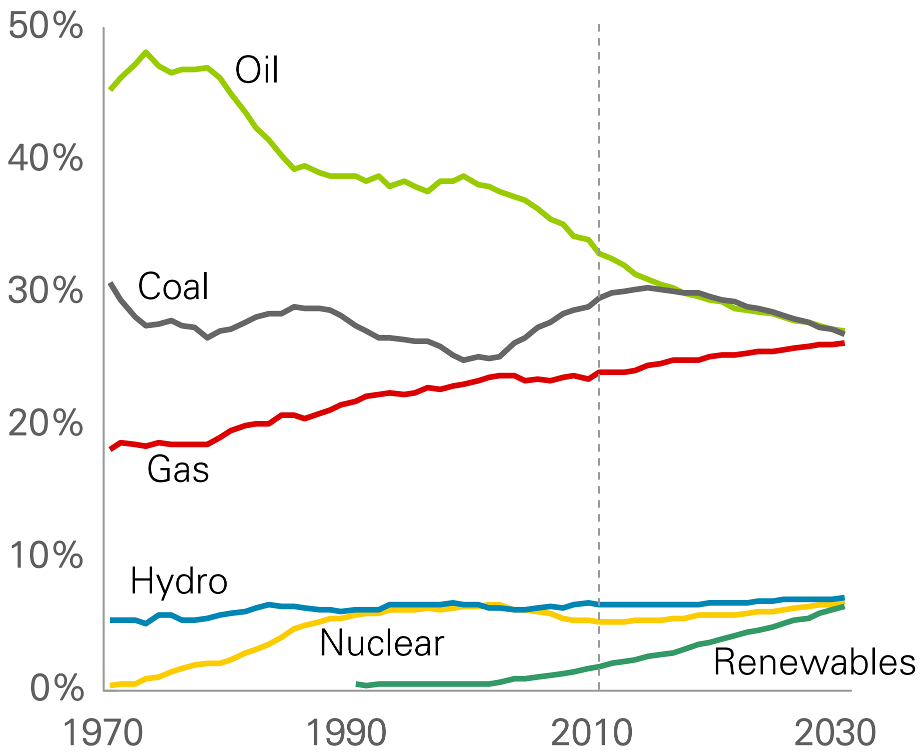
Refining & Marketing
Summary and what to expect

- Safe and reliable operations remains #1 priority
- On track to deliver >$2bn pa of pre-tax underlying RC profit improvement by 2012
  - Costs: efficiency improved, returning to 2004 levels
  - Refining: achieved break-even in similar environment to 2009
- Portfolio: focus on quality and integration in advantaged locations
  - Reposition US Fuels Value Chains: halve refining; focus on margin capability, integration
  - Improve and grow Eastern Hemisphere Fuels Value Chains: improve margin capability; access growth
  - Growth in quality International Businesses
- Sustainable long term growth and attractive returns

Bob Dudley
Group Chief Executive

Alternative Energy

Shares of world primary energy



Sugar cane harvesting in Brazil

Goshen wind farm, Idaho, USA

- Alternative Energy is the fastest growing energy sector
- BP continues to invest: focus on biofuels and wind

Source: *BP Energy Outlook 2030*

Moving BP forward

Putting Safety & Operational Risk management at the heart of the company

Re-building trust

Value growth

- Dividend resumed
  - Quarterly dividend level of 7 cents/share
  - Intention to grow over time in line with improving circumstances of firm
- Active portfolio management: divesting/acquiring for value
  - Divestment proceeds of ~$13bn in 2011 to complete $30bn program
  - Divestment of two US refineries planned by end 2012
  - Acquisition of Devon assets expected to complete in 2011
- Investing for upstream value
  - Doubling exploration spend
  - 32 project start ups by 2016: 1mmboe of new production
  - New forms of partnerships with resource holders : Rosneft strategic alliance
- Reshaping downstream
  - $2bn+ pre tax performance improvement by end 2012: $0.9bn delivered in 2010
  - More focussed portfolio: improved returns and growth
    - Repositioning US fuels value chains and halving US refining capacity

Q&A

Bob Dudley

Group Chief Executive

Byron Grote

Chief Financial Officer

Iain Conn

Chief Executive
Refining & Marketing

Mark Bly

Executive Vice President,
Safety & Operational Risk

Mike Daly

Executive Vice President,
Exploration

Bernard Looney

Executive Vice President,
Developments

Bob Fryar

Executive Vice President,
Production

Andy Hopwood

Executive Vice President,
Strategy & Integration