2Q 2011 Results Presentation

26 July 2011

Cautionary statement

Forward-looking statements - cautionary statement

This presentation and the associated slides and discussion contains forward-looking statements particularly those regarding: expected increases in investment in upstream production; anticipated improvements in operating cash flow and margins; divestment plans; reductions in certain costs associated with the suspension of drilling in the Gulf of Mexico; the quarterly dividend payment; the expected total effective tax rate for 2011; expected full-year 2011 organic capital expenditure; the timing of surveys of shoreline impacted by the Gulf of Mexico oil spill; the segregation of an additional $500 million of the Trust balance to cover costs associated with projects that will restore injured natural resources in the Gulf; the issuance of further Requests for Proposals pursuant to the Gulf of Mexico Research Initiative and the master research agreement thereunder; expectations regarding the impacts on costs of rig standby costs and of turnaround and related maintenance expenditures; the timing for completion of the Whiting refinery upgrade; the projection of cash generation from the Whiting refinery and corresponding impacts on BP's US Fuels Value Chain position; the expected impact on third-quarter production of the divestment programme, ongoing seasonal turnaround activity across BP's portfolio, and the ongoing decline of production in the Gulf of Mexico; expected full-year 2011 production, and the impact of acquisitions and divestments and PSA entitlement on full-year 2011 production; expectations for improvements in underlying replacement cost profit; the number of exploration wells to be drilled in 2012; timing of new upstream projects coming on line; the expectation of up to 1mmboed of production by end of 2016 from new projects; the magnitude and timing of remaining remediation costs related to the Gulf of Mexico oil spill; the factors that could affect the magnitude of BP's ultimate exposure and the cost to BP in relation to the spill and any potential mitigation resulting from BP's partners or others involved in the spill; the potential liabilities resulting from pending and future legal proceedings and potential investigations and civil or criminal actions that US state and/or local governments could seek to take against BP as a result of the spill; the timing of claims and litigation outcomes and of payment of legal costs; the anticipated timing for completion of and final proceeds from the disposition of certain BP assets; timing for and value of completion of certain acquisitions and strategic alliances; the expectation that more Gulf of Mexico permits will be issued in due course; contributions to and payments from the Trust Fund and the setting aside of assets while the fund is building; expectations for the upstream margin mix; expectations on reduction of net debt; expectations for third-quarter refining margins; expectations for operations at the Texas City refinery; expected improvements in petrochemicals production volumes; anticipated planned turnaround activity in the second half of 2011; the anticipated delivery of material and sustainable earnings growth and cash flows with returns well above cost of capital from refining and marketing; the anticipated timing for the receipt of regulatory approvals and closing of the acquisition from Reliance Industries; expected increases in demand for gas in India; expected improvements in BP's average unit operating cash margin over the next five years; expected growth in absolute volume of assets held by BP; the schedule of projects due to commence operation in 2012 and 2013; intentions to increase the number of wells drilled in future years; exploration activity in four deepwater offshore blocks off of Australia; the timing for publication of investigation reports; the impact of BP's potential liabilities relating to the Gulf of Mexico oil spill on the group, including its business, results and financial condition; the increase of investment that will deliver sustainable growth; expectations at getting back to work in Gulf of Mexico through 2012 and 2013; the increase of operating cash flow faster than production volumes; reshaping downstream for improved returns and growth; potential increase of distributions to shareholders. 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; changes in taxation; 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 successful completion of certain disposals; 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 under "Risk factors" in our Annual Report and Form 20-F 2010 as filed with the US Securities and Exchange Commission (SEC).

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", "non-proved resources" and references to projections in relation to such 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.

July 2011

Bob Dudley

Group Chief Executive

Agenda

Moving BP forward	Bob Dudley
2Q 2011 results	Byron Grote
Delivering shareholder value	Bob Dudley

Q&A

Bob Dudley	Group Chief Executive
Byron Grote	Chief Financial Officer
Iain Conn	Refining & Marketing
Mark Bly	Safety & Operational Risk
Mike Daly	Exploration
Bernard Looney	Developments
Bob Fryar	Production
Lamar McKay	BP America

Moving BP forward
Rebuilding value

Putting safety & operational risk management at the heart of the company

- New Safety & Operational Risk function
- Long-term integrated approach
- Aligning incentives: rebasing performance management and reward with long-term focus

Rebuilding trust

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

Pursuing value growth

- Investing for sustainable growth
- Operating cash flow growing faster than volumes
- Reshaping downstream for improved returns and growth
- Divesting for value and to improve focus
- Increasing distributions to shareholders

Moving BP Forward
Strategic progress 1H 2011

Putting safety & operational risk management at the heart of the company

- New Safety & Operational Risk organization in place: stronger checks and balances
- Increased investment in integrity and capability
- Implementing lessons from the Gulf of Mexico oil spill

Rebuilding trust

- $6.8bn of US claims and government payments*
- Settlements with Mitsui and Weatherford
- New voluntary enhanced drilling standards in the Gulf of Mexico
- Sharing lessons with governments and partners globally

Pursuing value growth

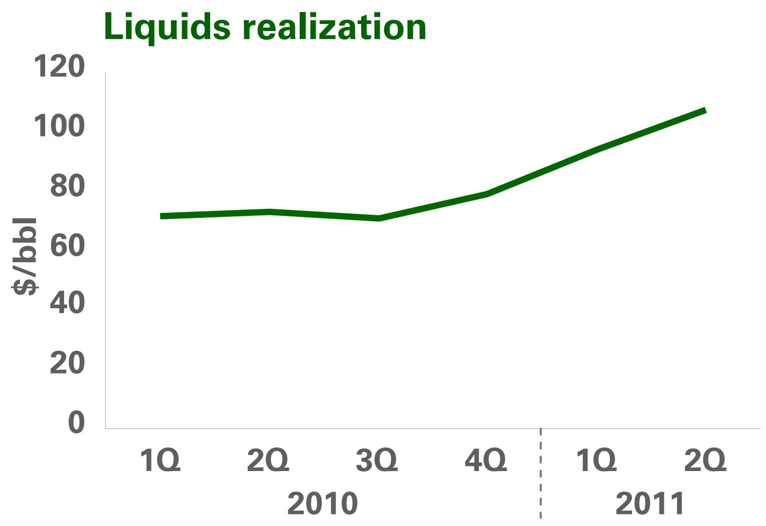
- 2011 new upstream opportunities:
  - New exploration access – Trinidad, Australia, Azerbaijan, UK, Indonesia and South China Sea
  - Brazil – acquisition of Devon assets complete
  - India – alliance with Reliance Industries**
- Refining & Marketing: refocusing and earnings momentum
- Divesting to add value and focus: $25bn announced 2010/11
- 2Q dividend 7c/share

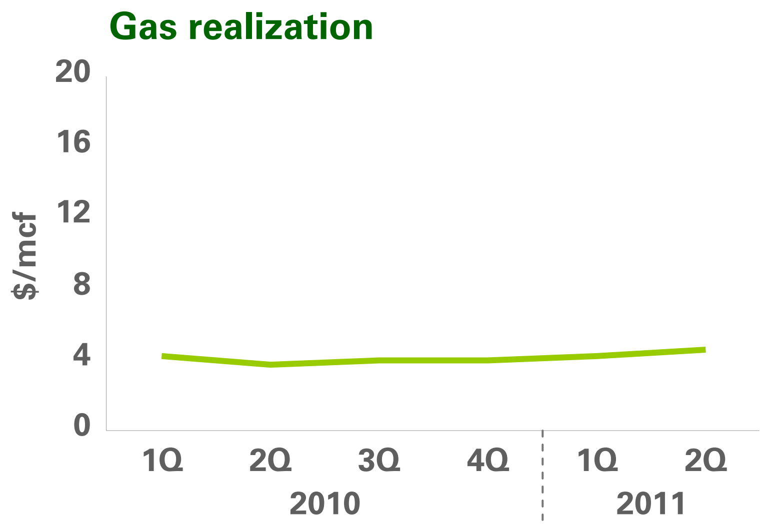
* *As at the end of 2Q. Includes $5.1bn paid out of the Trust Fund*

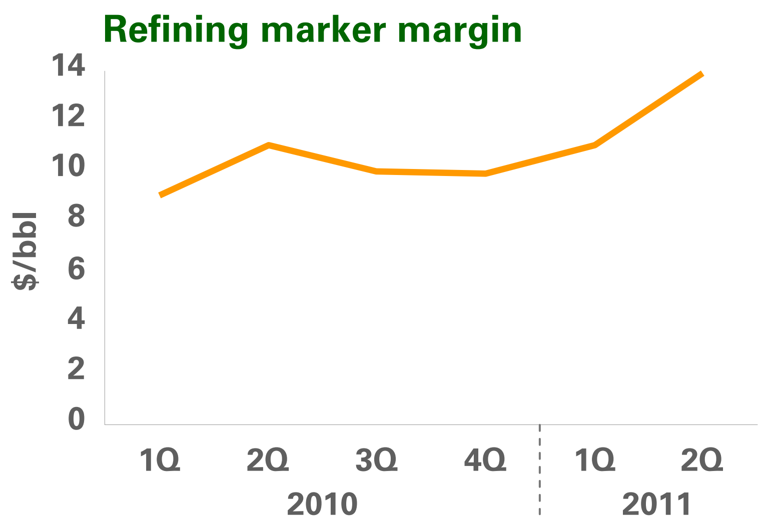
** *Remains subject to final regulatory approvals and completion*

Byron Grote
Chief Financial Officer

Trading environment







Average realizations	Change vs 2010 2Q	Change vs 2010 YTD
Liquids $/bbl	47%	38%
Natural gas $/mcf	21%	9%
Total hydrocarbons $/boe	34%	27%
Refining marker margin $/bbl	26%	24%

Financial results

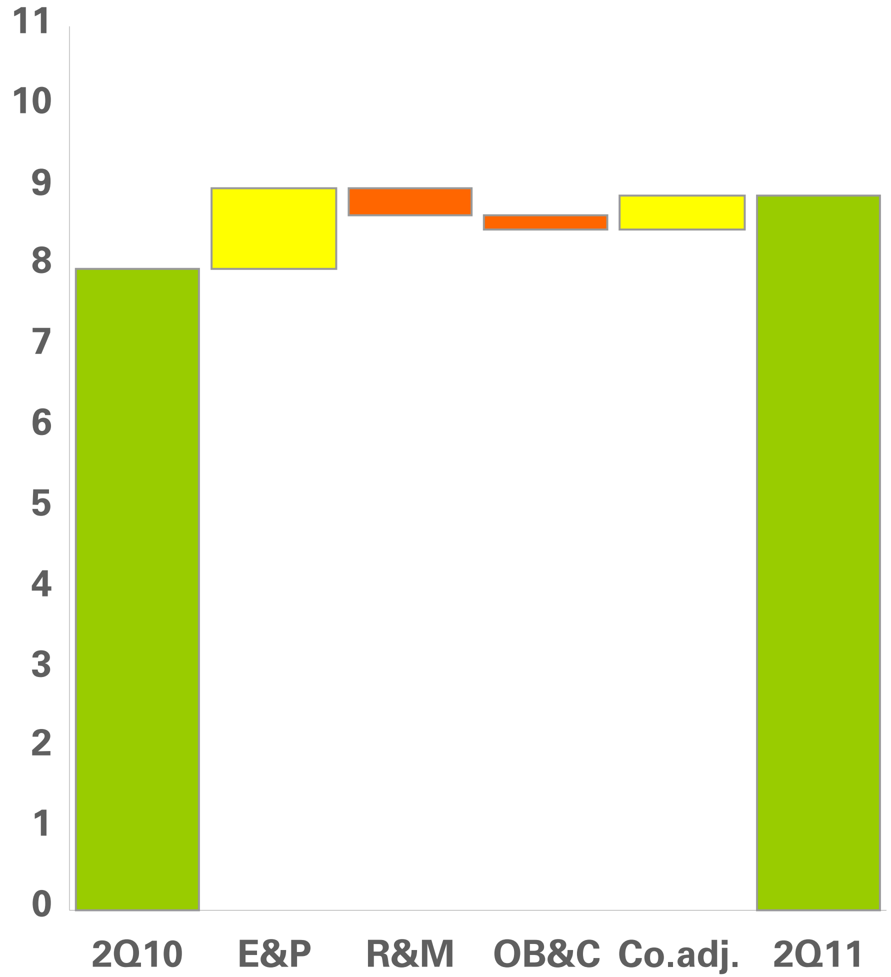
All earnings figures are adjusted for the costs associated with the Gulf of Mexico oil spill, other non-operating items and fair value accounting effects

($bn)	2Q10	2Q11
Exploration & Production	6.3	7.3
Refining & Marketing	1.7	1.4
Other businesses & corporate	(0.1)	(0.3)
Consolidation adjustment	0.1	0.5
Replacement cost profit before interest and tax	**8.0**	**8.9**
Interest & minority interest	(0.3)	(0.3)
Tax	(2.7)	(3.0)
Replacement cost profit	**5.0**	**5.6**

Earnings per share ($c)	**26.5**	**29.7**

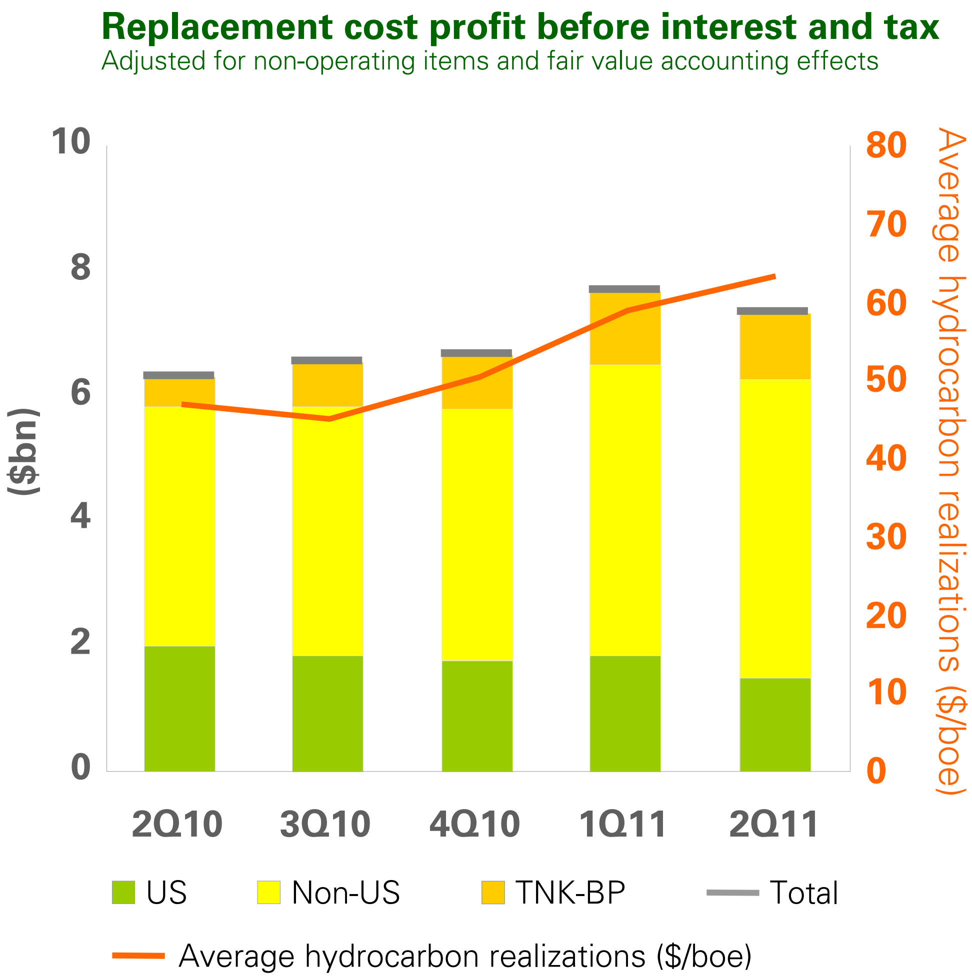
Cash from operations ($bn)*	**8.3**	**9.7**
Dividend paid ($bn)	**-**	**0.8**
Organic capital expenditure ($bn)	**4.4**	**4.2**
Dividend per share ($c)	**-**	**7.0**

Replacement cost profit before interest and tax 2Q11 vs 2Q10 ($bn)



* *2Q11 excludes post-tax cash outflows of $(1.9)bn related to Gulf of Mexico oil spill (2Q10 excludes $(1.6)bn)*

Exploration & Production

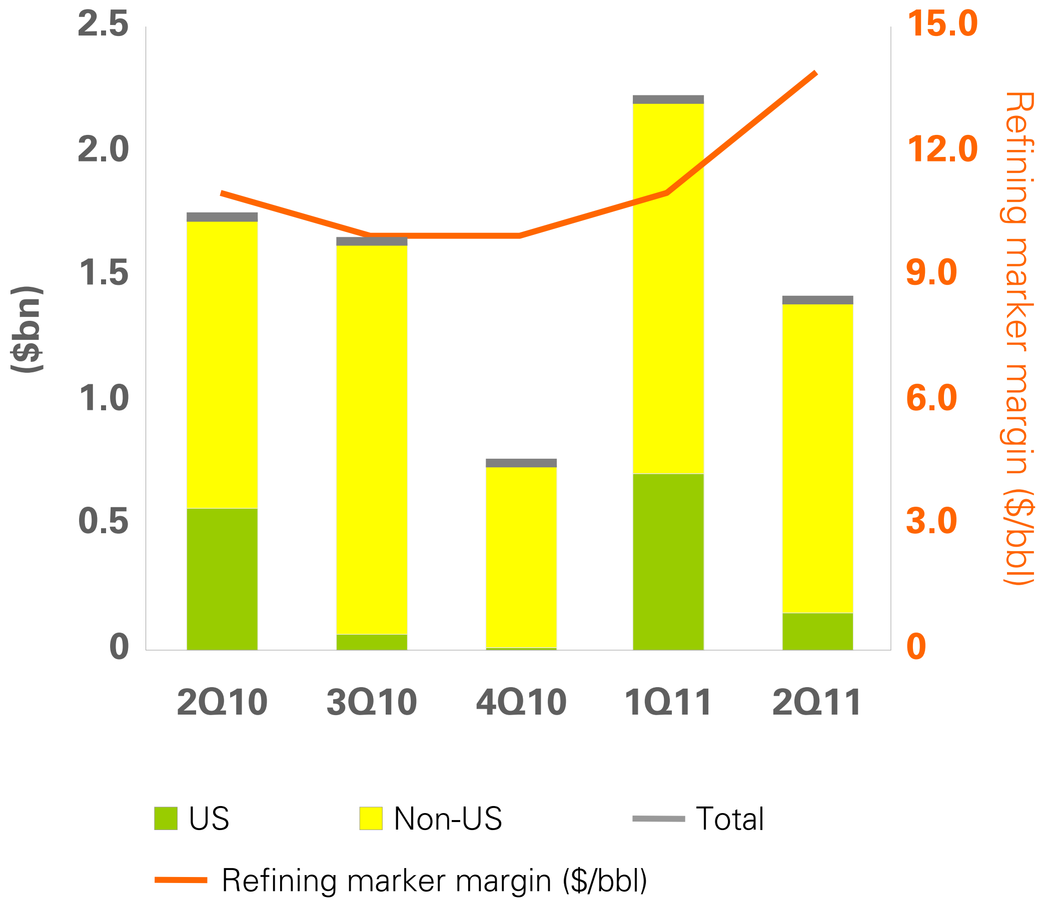


- Stronger environment
- Production 11% lower

  Adjusting for PSA entitlement effects and A&D, production 7% lower
  - Continued decline in Gulf of Mexico due to the suspension of drilling
  - Ongoing turnaround and maintenance activity, including Angola and North Sea
  - Iraq: first year production
- Higher costs
  - Gulf of Mexico rig standby
  - Exploration write-offs
  - Turnarounds and maintenance

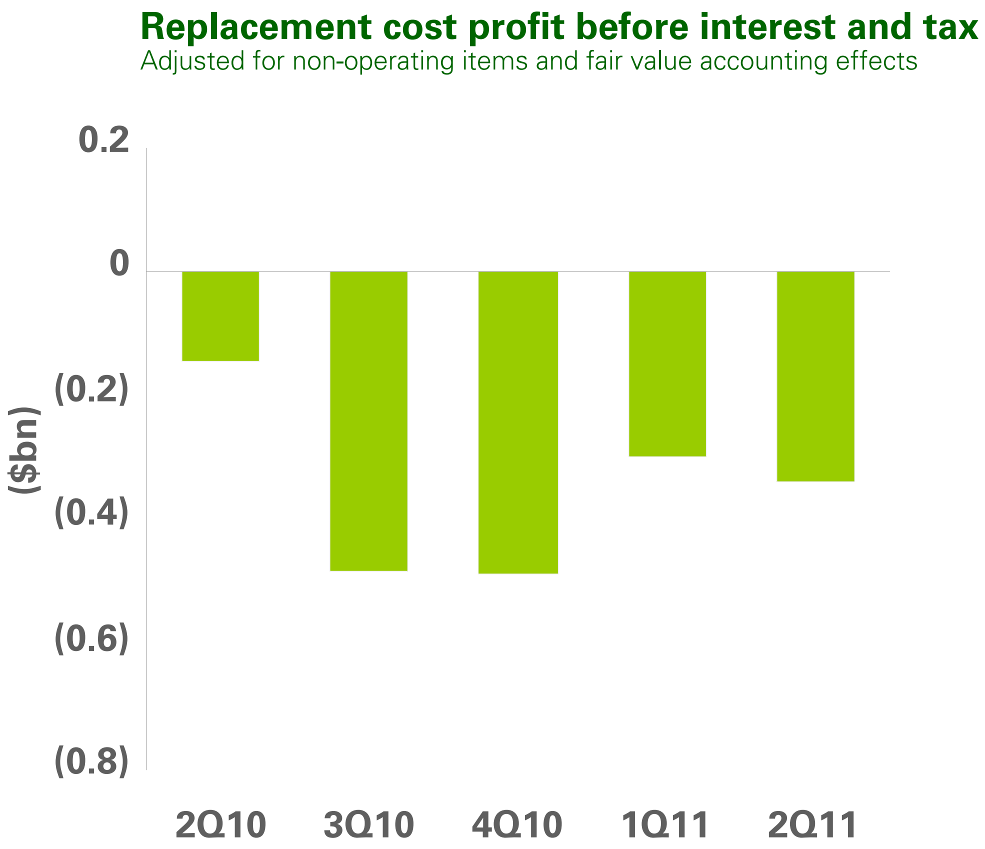
Refining & Marketing

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



- Improved refining environment
- Weak supply and trading contribution
- Texas City refinery power outage
- Higher turnaround activity

Other businesses & corporate



- Higher group level functional spend as a consequence of the Gulf of Mexico oil spill
- Guidance remains at $400 million average underlying quarterly charge

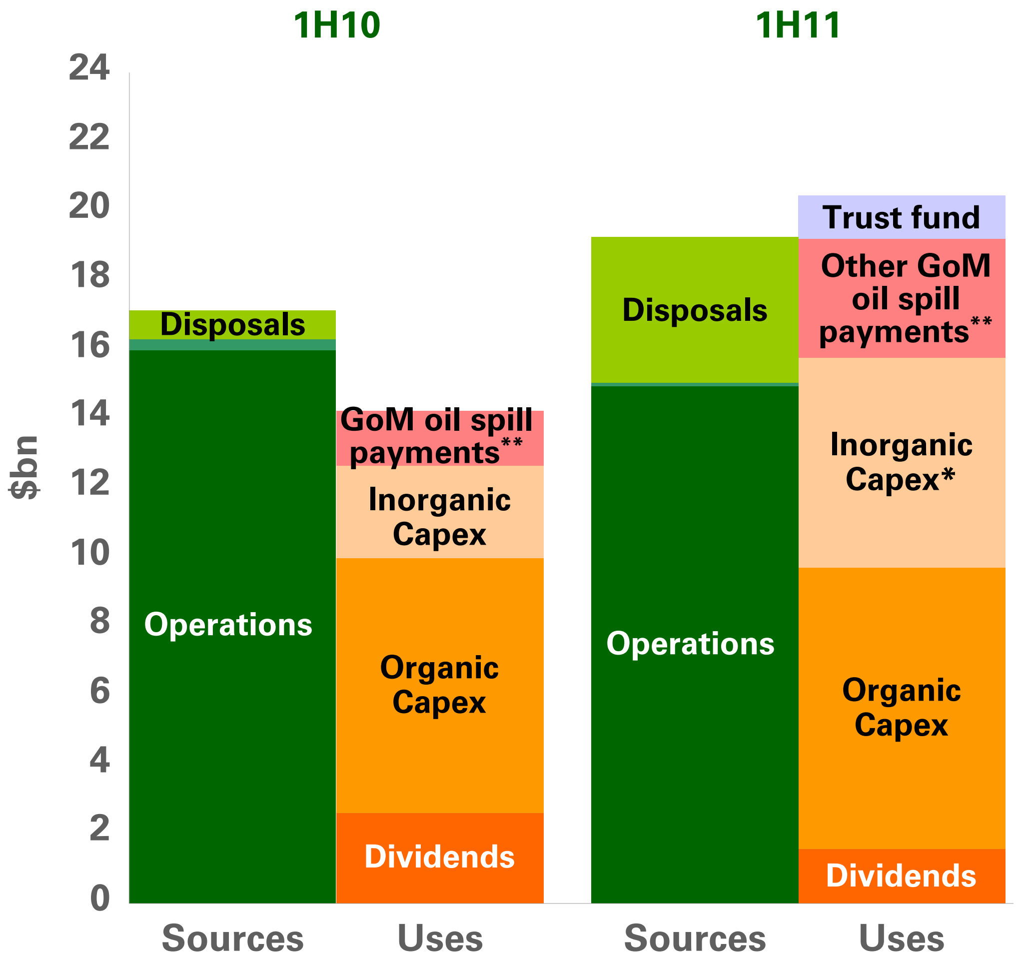
Gulf of Mexico oil spill costs and provisions
(pre-tax*)

$bn	FY10	1Q11	2Q11
• Income statement			
– Charge/ (credit) for the period	40.9	0.4	(0.6)
• Balance sheet**			
– Brought forward		23.3	20.6
– Charge/ (credit) to income statement	40.9	0.4	(0.6)
– Payments into Trust Fund	(5.0)	(1.3)	(1.3)
– Other related payments in the period	(12.7)	(1.8)	(1.1)
– Carried forward	23.3	20.6	17.6
• Cash payments	17.7	3.0	2.4

* *Includes receivable relating to settlements with Mitsui and Weatherford, excludes any other potential partner recovery*

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

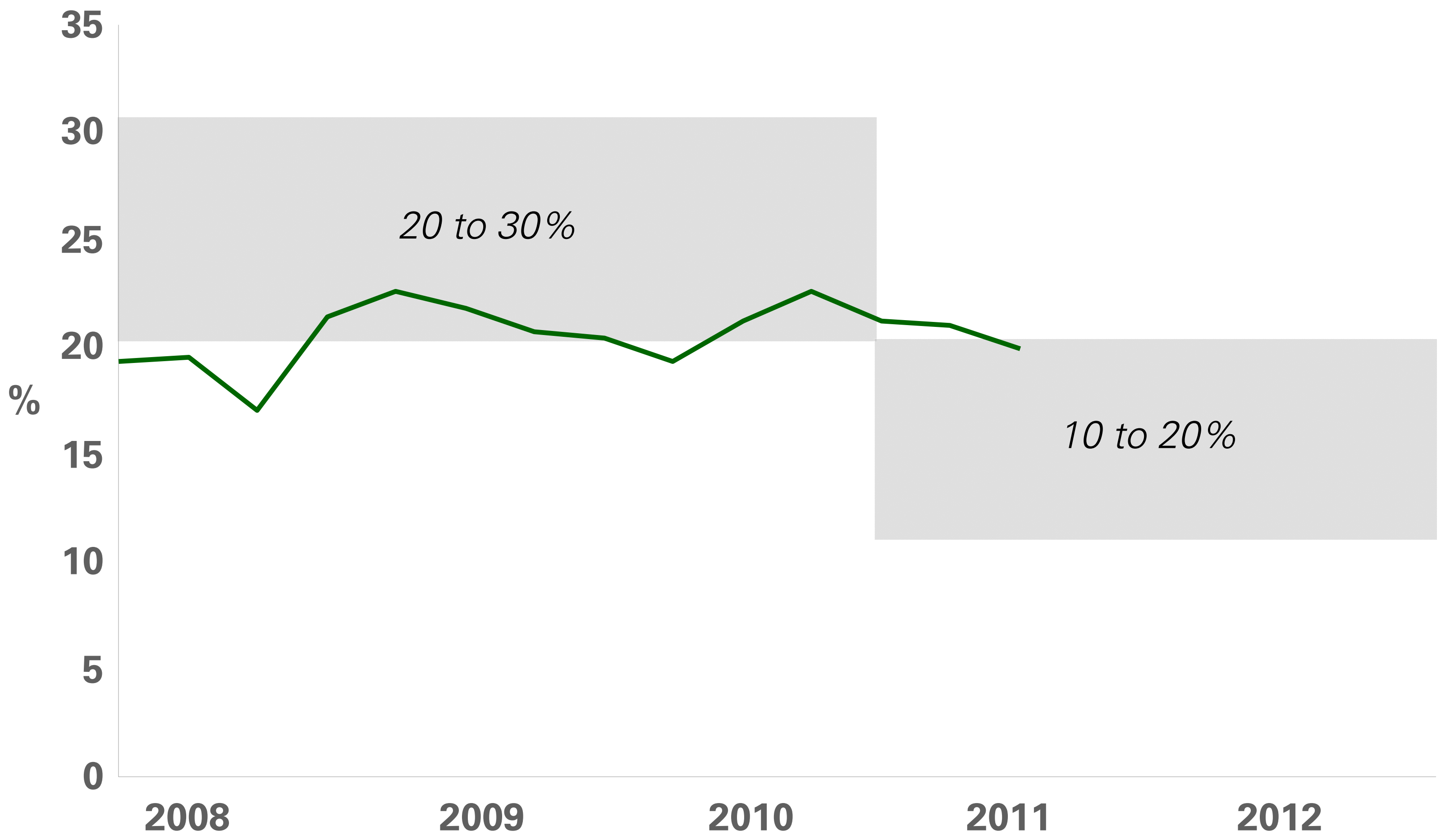
Sources & uses of cash



- $1.6 billion of disposals completed during 2Q ($4.2 billion in 1H11)
- Additional $4.6 billion of cash deposits held at the end of the quarter for disposals expected to complete in subsequent periods, which is reported as short-term debt
- Cash at 30 June is $18.7 billion

* *1H11 inorganic capex includes $2.0bn paid as a deposit relating to the transaction with Reliance Industries*
** *GoM (Gulf of Mexico)*

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 $4.6bn received as deposits for disposals completing after period-end is reported as short-term debt at 30 June 2011

2011 acquisitions and disposals

Acquisitions

Completed

- Brazil Devon assets
- Brazil CNAA ethanol

Announced

- India Reliance gas

Disposals

Completed

- Colombia
- Gulf of Mexico Devon assets
- Wattenburg gas plant
- Venezuela
- Package of fuel storage and pipeline assets in US
- Africa: Namibia, Zambia and Malawi
- 50% Devon ACG (in July)

Announced

- ARCO Aluminum
- Wytch Farm
- Pan American Energy
- Pakistan
- Vietnam

Planned*

- Canadian NGLs
- Package of UK upstream assets

* *Excludes Texas City refinery and Southern West Coast fuels value chain disposals expected by end 2012*

Bob Dudley

Group Chief Executive

Putting safety and operational risk management at the heart of BP

Safety & Operational Risk (S&OR) organization in place and in action

- S&OR professionals deployed into operating businesses
- New authorities and accountabilities established
- Expanded audit oversight and capacity
- Building competence and capability for the long term

Implementing lessons from Gulf of Mexico oil spill

- Bly report recommendations under implementation
- Global Wells framework and standards

Rebuilding trust

Meeting our commitments in the US

- Completing the response
  - Majority of shoreline clean-up complete
- Gulf Coast showing promising signs of recovery
  - Strong signs of improvement for tourism and seafood during 1H 2011
  - All federal commercial fishing areas open
- Funding economic and environmental restoration of the Gulf
  - $6.8bn in claims and government payments*
  - $1bn committed to early natural resource restoration projects
  - $8.6bn paid into Trust Fund
- New voluntary enhanced drilling standards in the Gulf of Mexico

Sharing and implementing lessons globally

- Sharing lessons with industry, regulators, and government

* *As at end of 2Q. Includes $5.1bn paid out of the Trust Fund*

Gulf of Mexico liabilities: timeline and milestones

	Indicated dates*
Key investigations	
• Presidential Commission final report	11 January 2011
• US Coast Guard preliminary report	22 April 2011
• Marine Board investigation final report	To be determined
• Chemical Safety Board report	To be determined
• National Academy of Engineers final report	Autumn 2011
Department of Justice inquiry continues	
Multi District Litigation trials	
• Limitation & Liability trial	February 2012

* *Dates expected as at July 2011*

Upstream value growth

- Risk reduction
- Active portfolio management
- Growing operating cash faster than production
- Increased investment with a focus on exploration
- Growth engines
  - Deepwater
  - Gas value chains
  - Giant fields

Portfolio management

Ongoing active portfolio management

- Balancing focus, risk and growth
- Concentration in promising areas where we operate

Divestments update

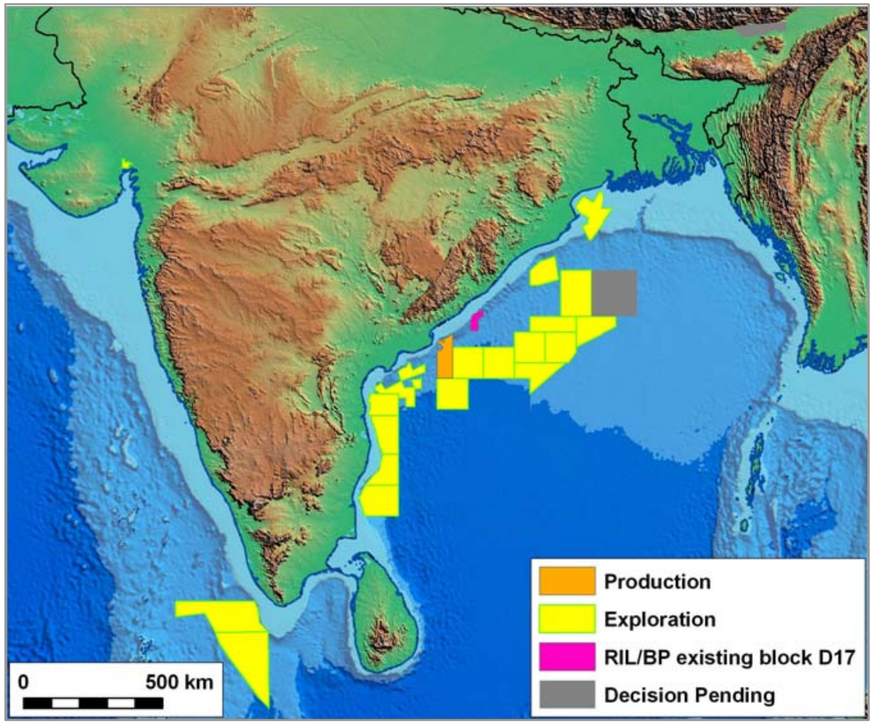
- Reserves of 1.8bn boe and non-proved resources of 3.2bn boe
- Production impact of 400 mboed on a full year basis

Brazil: acquisition of Devon assets

- Material entry to deepwater
- Quality project portfolio

India: Reliance Industries alliance*

- Apply BP's subsurface skills in a significant gas basin
- Strong national partner
- Exposure to rapidly growing market
- Long term exploration potential



India

21 blocks of ~240,000 km^2

* *Remains subject to final regulatory approvals and completion*

Operating cash growth

Potential to grow operating cash flow

- Unit operating cash margin growth
- Production growth

Near term milestones

- Greater Plutonio now online following turnaround
- Re-starting drilling operations in the Gulf of Mexico
- Nine major projects online by end of 2013
- Cash flow from Iraq investment
- Improving margin mix in 2012: Angola, Gulf of Mexico
- Approval of Indian Reliance Industries deal

Growth 2012–2013

Angola

Gulf of Mexico

North Sea

2012/2013 Major Project start-ups

Location	Project	Type	BP working interest %	Gross capacity
Angola	Angola LNG	● Gas	14	5 mtpa
	Block 31 PSVM*	● Oil	27	150 mboed
	Clochas-Mavacola	● Oil	27	100 mboed
Asia Pacific	North Rankin 2	● Gas	17	1,800 mmscfd
Gulf of Mexico	Galapagos*	● Oil	47-67	60 mboed
North Sea	Devenick*	● Gas	89	200 mmscfd
	Kinnoull*	● Oil	77	50 mboed
Russia (TNK-BP)	Uvat Central Expansion	● Oil	50	110 mboed
	Verkhnechonskoye Full Field Development	● Oil	34	145 mboed

● Oil ● Gas * BP Operated

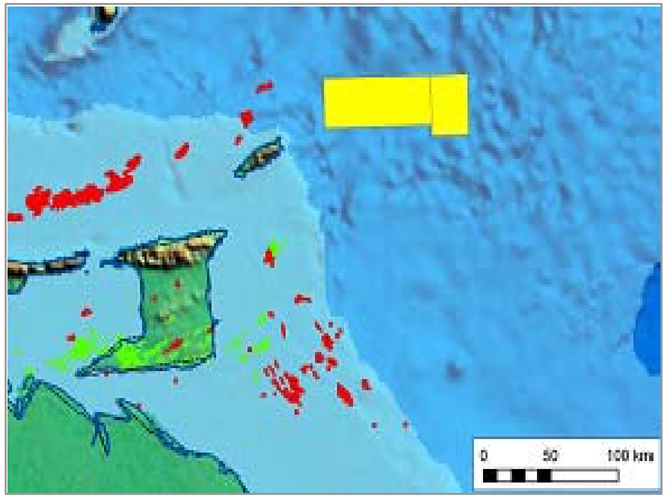
Increased investment for growth

- Up to 1 mmboed of production by end 2016 from new projects
- Increasing organic capital reinvestment for longer-term growth
- Half of capital over the next five years focused on growth post 2016
- Capital efficiency is critical: competitive returns on capital invested

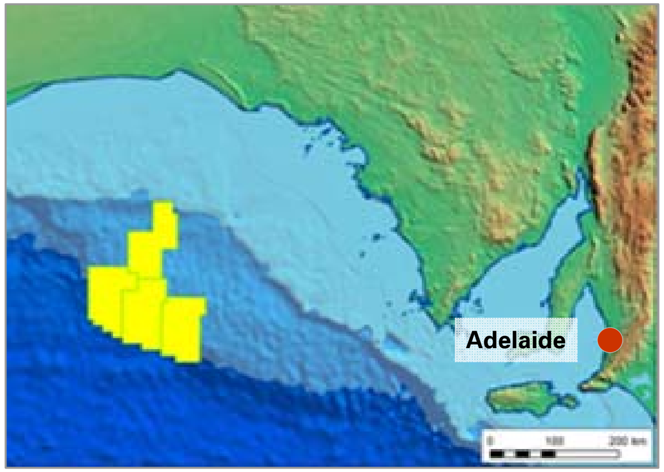
Increased focus on exploration

- Plans to double exploration spend on track
  - 2006-11 exploration portfolio rebuild creates potential to double drilling investment
  - Adding new acreage in established areas: Gulf of Mexico, Egypt, Azerbaijan, UK, and Indonesia
  - Entered new basins: Trinidad, Australia, Brazil and South China Sea
- Renewed commitment to pushing the boundaries of seismic acquisition and imaging

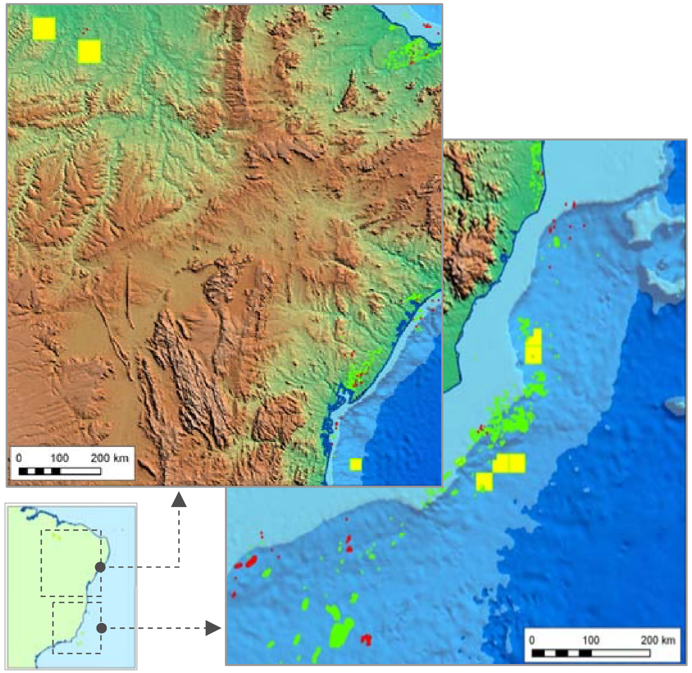
New access



Trinidad
100% interest in 2 blocks of ~3,500 km^2



Australia
100% interest in 4 blocks of ~24,500km^2



Brazil
10 blocks of ~10,000km^2

Future growth engines

Global deepwater

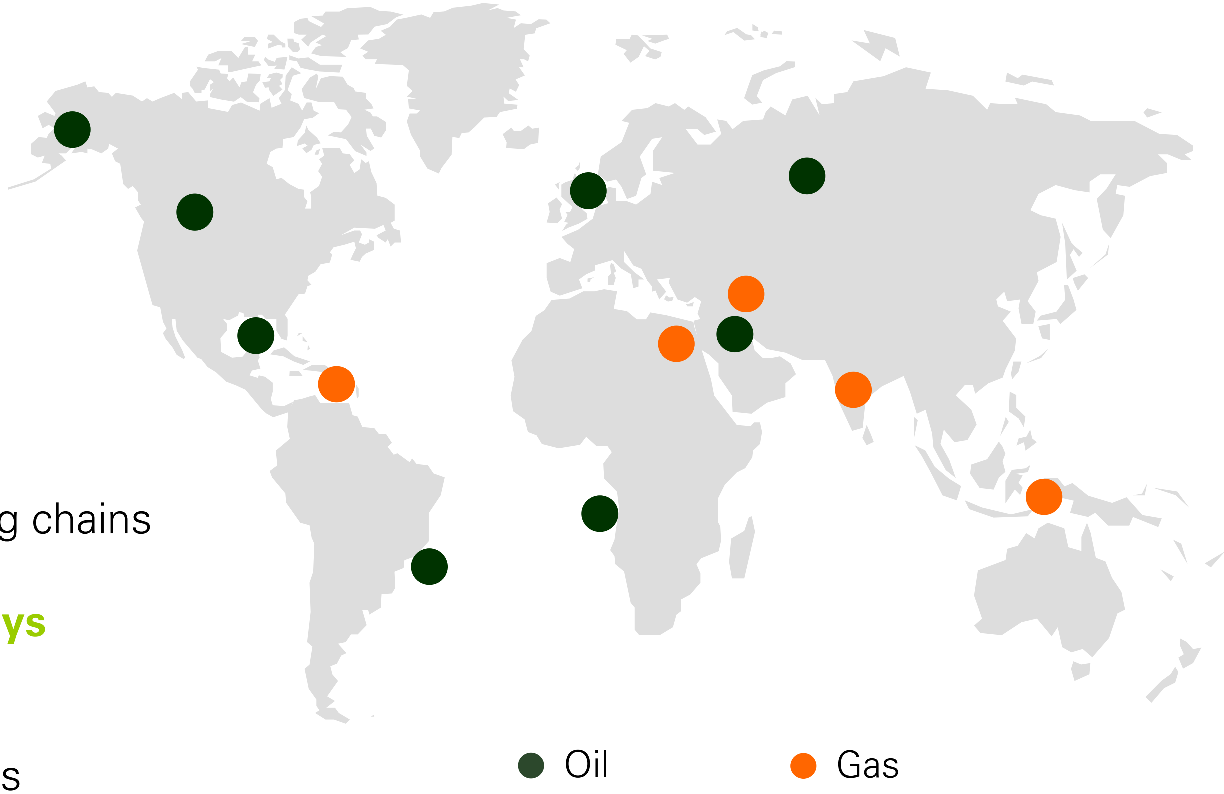
- Managing complexity
- Differentiated technology

Gas value chains

- Relationships
- Global project management
- Integrating value across long chains

Giant fields and resource plays

- Huge resource base
- Understanding big reservoirs
- Unconventionals upside



Refining & Marketing value growth

Safety and trust

- Safe and reliable operations remain the number one priority
- Focus on process safety risk management and Operating Management System

Earnings momentum

- On track to deliver in excess of $2bn p.a. underlying RC profit improvement by end 2012 versus 2009
- Total underlying RC profit improvement 2012 versus 2007 forecast to be ~$7bn p.a.

Portfolio focus

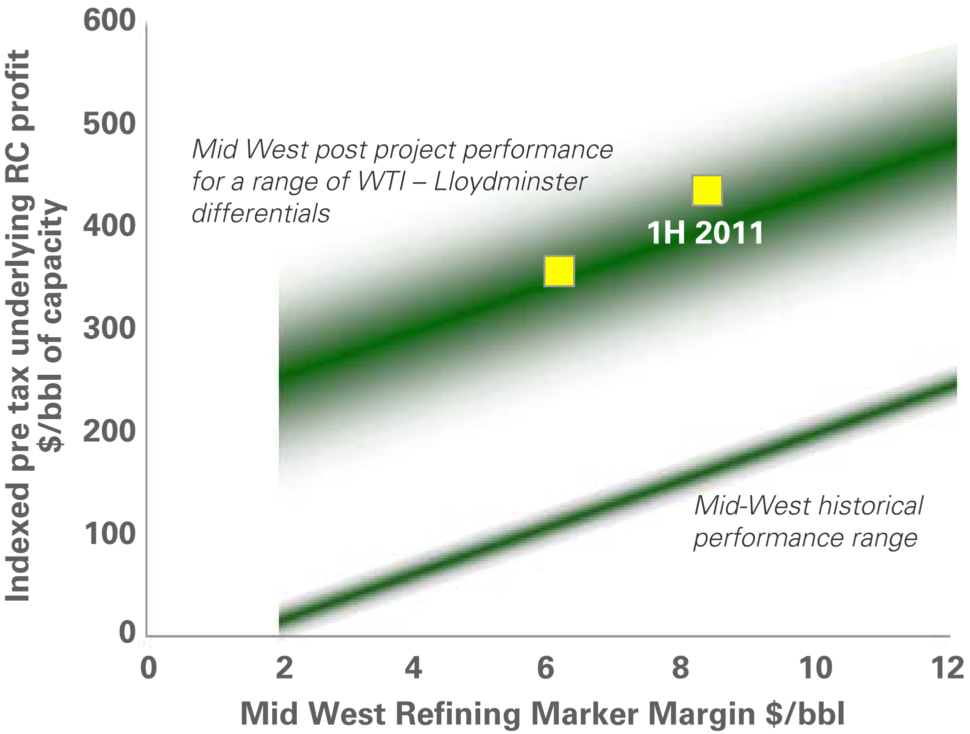
- Strengthen Fuels Value Chains
  - Reposition US
  - Grow and improve returns in rest of world
- Growth in International Businesses

Growth and returns

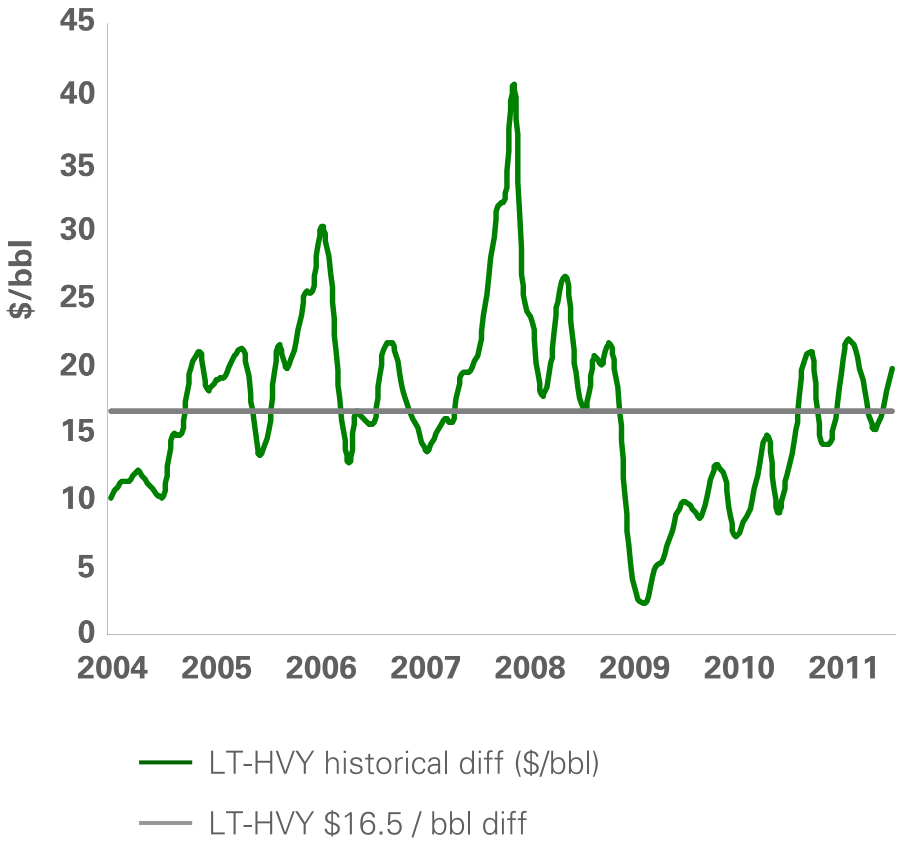
- Capable of enduring growth within disciplined financial framework
- Delivery of attractive returns and strong free cash flow

Whiting Refinery Modernization Project
Sources of value

Margin capture capability



Historical light / heavy crude differential



Regression line established from rolling 4Q average 1Q02–1Q07

Based off nameplate capacity as stated in BP's Financial & Operating Information = maximum sustainable rate for 30 day period

On-stream performance at end 2010 and first half 2011 refining environment

Moving BP Forward

Year of consolidation 2011	Building momentum 2012	2013+
• New S&OR organisation • Investing in integrity/increased turnarounds • Upstream re-organisation • New access: Trinidad, Australia, Azerbaijan, UK, Indonesia, South China Sea, India*, Brazil • Iraq initial production • Back to work in Gulf of Mexico • R&M earnings momentum	• Planned divestment of Texas City refinery/Southern West Coast fuels value chain • R&M profits up >$2bn per annum by end 2012 vs. 2009 • Increasing number of exploration wells • Improving upstream margin mix	• Whiting on-stream 2013 • 9 major upstream projects onstream by end 2013 • Up to 1 mmboed from new growth projects by end 2016
• $30bn divestments 2010/11 • Settlements with Mitsui/Weatherford • $5bn payments into Trust Fund • Capex ~$20bn • Dividend resumes	• Reducing uncertainty on oil spill liabilities	• $5bn per annum Trust payments end in 2013
Financial Framework		

* *Remains subject to final regulatory approvals and completion*

Delivering shareholder value

Safe and reliable operations

Increased focus on exploration

Increasing investment for upstream growth

Operating cash growing faster than volumes

Downstream earnings momentum and returns

Ongoing active portfolio management

Increasing distributions to shareholders

Q&A

Bob Dudley

Group Chief Executive

Mike Daly

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Mark Bly

Executive Vice President, Safety & Operational Risk

Lamar McKay

Chairman and President, BP America