
31 July 2018
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BP 2Q 2018
RESULTS

Welcome to BP's second-quarter 2018 results presentation.

I'm Craig Marshall, BP's head of investor relations, and I am here today with our chief executive, Bob Dudley and our chief financial officer, Brian Gilvary.

Before we begin, I would like to draw your attention to our cautionary statement.

Cautionary statement

Forward-looking statements - cautionary statement

In order to utilize the 'safe harbor' provisions of the United States Private Securities Litigation Reform Act of 1995 (the 'PSLRA'), BP is providing the following cautionary statement. This presentation and the associated slides and discussion contain forward-looking statements – that is, statements related to future, not past events and circumstances – with respect to the financial condition, results of operations and business of BP and certain of the expectations, intentions, plans and objectives of BP with respect to these items, in particular statements regarding expectations related to the world economy, future oil and gas prices and global energy supply and demand including with respect to natural gas; plans and expectations regarding the investment in FreeWire , StoreDot, the acquisition of Chargemaster, including to position BP for the electric vehicle market; plans and expectations regarding BP's acquisition of onshore-US unconventional oil and gas assets from BHP, including post-integration expectations regarding earnings, cash flow and longer term material value creation; plans and expectations regarding modernisation of the group; plans and expectations to become the leading fuel provider for both conventional and electric vehicles; plans and expectations regarding share buybacks, including to offset the impact of dilution from the scrip program; expectations regarding industry refining margins and turnaround activity in the second-half 2018; expectations regarding Upstream reported production in the third quarter of 2018; expectations regarding continuing growth; expectations regarding confidence in the outlook for Group free cash flow; expectations regarding the timing and amount of future payments relating to the Gulf of Mexico oil spill including 2018 payments; plans and expectations with respect to Upstream projects, production, investments and activities, including the start-up of six projects in 2018 and regarding major projects out to 2021; expectations regarding costs of the Shah Deniz 2 development; expectations regarding organic capital expenditure, organic free cash flow, the DD&A charge, cost and capital discipline, the Other Businesses and Corporate average underlying quarterly charge, the oil price breakeven point, ROACE and the 2018 underlying effective tax rate; plans and expectations regarding sustainable free cash flow and distributions to shareholders over the long term; plans and expectations regarding the reduction of emissions, including to target zero routine flaring by 2030 and creating low carbon businesses; plans and expectations to increase equity in the Clair field to 45% and future value relating to Clair; plans and expectations regarding Downstream returns, earnings and product development; expectations regarding the amount and timing of divestment proceeds; plans and expectations to target gearing within a range of 20-30%;; and plans and expectations with respect to dividends. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of BP. Actual results may differ materially from those expressed in such statements, depending on a variety of factors, including: the specific factors identified in the discussions accompanying such forward-looking statements; the receipt of relevant third party and/or regulatory approvals; the timing and level of maintenance and/or turnaround activity; the timing and volume of refinery additions and outages; the timing of bringing new fields onstream; the timing, quantum and nature of certain divestments; future levels of industry product supply, demand and pricing, including supply growth in North America; OPEC quota restrictions; PSA effects; operational and safety problems; potential lapses in product quality; economic and financial market conditions generally or in various countries and regions; political stability and economic growth in relevant areas of the world; changes in laws and governmental regulations; regulatory or legal actions including the types of enforcement action pursued and the nature of remedies sought or imposed; the actions of prosecutors, regulatory authorities and courts; delays in the processes for resolving claims; amounts ultimately payable and timing of payments relating to the Gulf of Mexico oil spill; exchange rate fluctuations; development and use of new technology; recruitment and retention of a skilled workforce; the success or otherwise of partnering; the actions of competitors, trading partners, contractors, subcontractors, creditors, rating agencies and others; our access to future credit resources; business disruption and crisis management; the impact on our reputation of ethical misconduct and non-compliance with regulatory obligations; trading losses; major uninsured losses; decisions by Rosneft's management and board of directors; the actions of contractors; natural disasters and adverse weather conditions; changes in public expectations and other changes to business conditions; wars and acts of terrorism; cyber-attacks or sabotage; and other factors discussed under "Principal risks and uncertainties" in our second quarter and half year 2018 results and under "Risk factors" in BP Annual Report and Form 20-F 2017 as filed with the US Securities and Exchange Commission.

This document contains references to non-proved resources and production outlooks based on 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

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

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During today's presentation, we will make forward-looking statements that refer to our estimates, plans and expectations. Actual results and outcomes could differ materially due to factors we note on this slide and in our UK and SEC filings. Please refer to our Annual Report, Stock Exchange Announcement and SEC filings for more details. These documents are available on our website.

Now, over to Bob.

Thank you Craig and good morning everyone – thank you for joining us.

It's certainly been a busy first half of the year for BP, even busier these last few days with the news that we will acquire the US onshore assets from BHP. I will talk about that transaction as part of this call, but the main focus for today is to provide you with a summary of our results for the second quarter of 2018, and an update on the financial and operational progress through the first half of the year.

I'll start with some highlights from the first-half, and provide some reflections on the market forces that have been at play in the macro environment. I'll also talk about how we are shaping the business for the future, and then go on to summarise the key points of the BHP deal once more.

Brian will report on the detail of our second-quarter numbers, financial frame and 2018 guidance and I'll then come back to update you on our operational performance so far and provide more detail on our commitment to advancing the low carbon agenda. And then, we'll take your questions.

First half 2018 highlights

So, to begin with some highlights from the first half of the year – we are now six quarters into our 20 quarter plan and we continue to move ahead.

Underlying profit for the second quarter remained strong at $2.8 billion, and compares to $2.6 billion in the first quarter and $700 million a year ago.

And our underlying cash flow of $12.4 billion in the first half more than covered our organic capital expenditure and the full dividend.

These are numbers that reflect our continued focus on disciplined execution of the strategy we laid out at the beginning of 2017 and we're also seeing similar progress across the business segments.

In the Upstream, we reported underlying pre-tax earnings of $3.5 billion underpinned by around 10% growth in underlying production compared to the same period last year. That's an improvement on our first quarter 2018 result, which itself was our best since the third quarter of 2014.

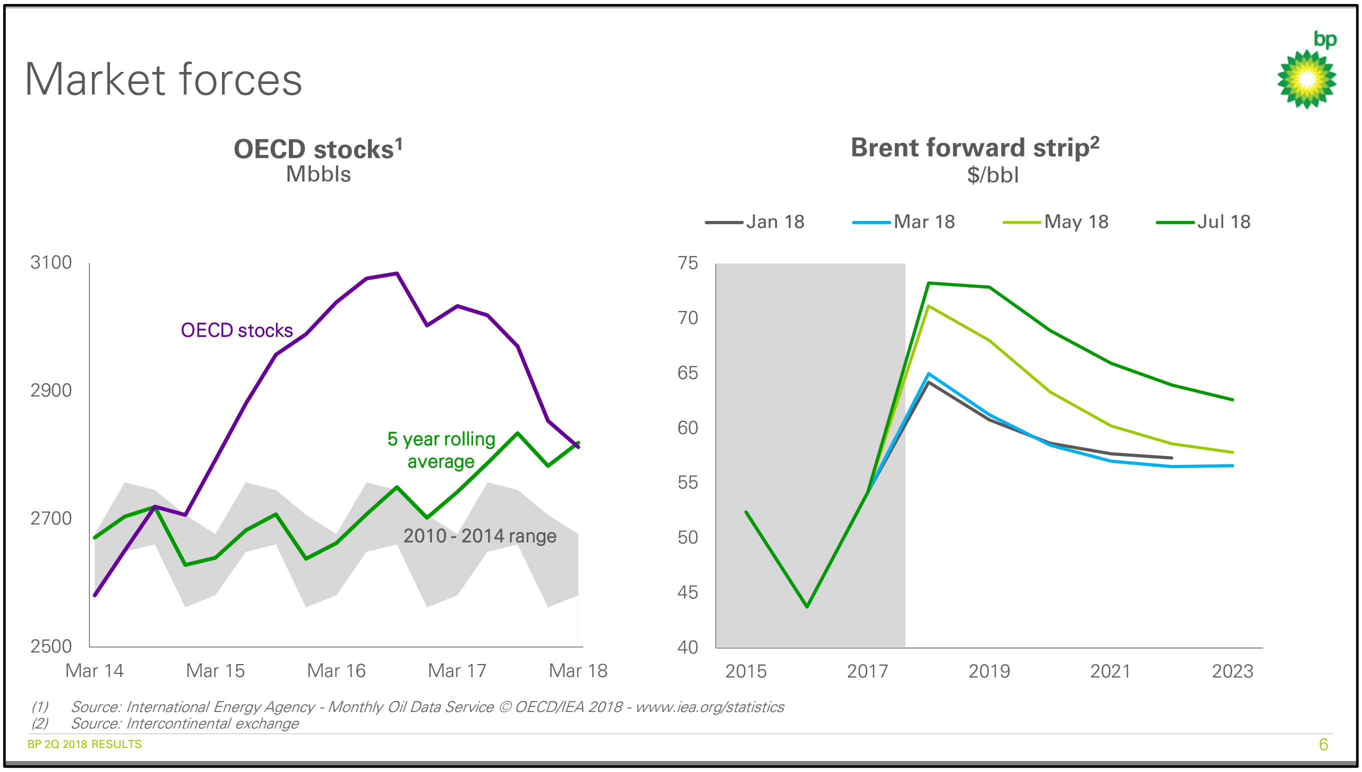
We also continue to build our portfolio in a way we believe is distinctive to BP, optimising the value of our assets in both incumbent and growth areas. Last weeks' announcement is a good example of our approach. Last weeks' move materially high-grades and repositions our US Lower 48 business in line with our Upstream strategy.

In the Downstream, we reported underlying pre-tax earnings of $1.5 billion. The segment continues to deliver against its growth agenda, notably across fuels and refining, with continued growth into new retail markets.

And we announced a series of investments through the half year in Freewire, StoreDot and Chargemaster. This combination of interests in fast-charging technology, battery innovation and the UK's largest electric vehicle charging network operator, help to position us effectively for the fast-evolving electric vehicle market. Not a threat but an opportunity to BP.

We are doing all of this while maintaining our tight organic capital expenditure range of $15-17 billion over the medium-term, and gearing within a range of 20-30%.

Given our quarter-by-quarter results and with our confidence in the outlook for Group organic free cash flow, we announced last week a 2.5% increase to the quarterly dividend. With this, the second quarter dividend is increased to 10.25 cents per ordinary share or 61.5 cents per ADS. This is the first increase in the dividend in four years, demonstrating the confidence the Board has in our disciplined financial framework, the operational momentum across the whole business, and our commitment to growing distributions to shareholders over the longer-term.



Turning to the macro environment, the world economy continues to grow, despite concerns around potential trade disputes and other market forces. Global GDP is expected to increase by around 3% in 2018 and 2019, supporting strong oil demand growth, as well as increasing demand for natural gas, notably Asian demand for LNG. Across the refining system, margins remain strong, at above-average levels, supported by high levels of utilisation and diesel demand.

Looking at the oil market more closely, OECD stock levels have returned to a more normal level, as shown in the chart on the left. Oil prices have trended higher this year, supported by strong demand growth, and a number of contributing supply factors which have unsettled the outlook, particularly:

- Supply disruptions from oil producing nations, particularly Venezuela and Libya;
- There are questions over the timing and effects of US sanctions on Iranian crude exports; and
- US infrastructure bottlenecks, particularly in the Permian basin.

OPEC and other participating countries have agreed to increase production to counter the effects of these supply disruptions, but there is uncertainty as to whether there is sufficient spare capacity if the disruption increases significantly.

These uncertainties could serve to maintain upward pressure on the oil price over the near term. Looking further out, we continue to plan for oil prices in the range of $50-65 per barrel.

So, we have been delivering the strategy we laid out to you in February last year, shaping our portfolio and creating a business that is resilient and fit for the changing world.

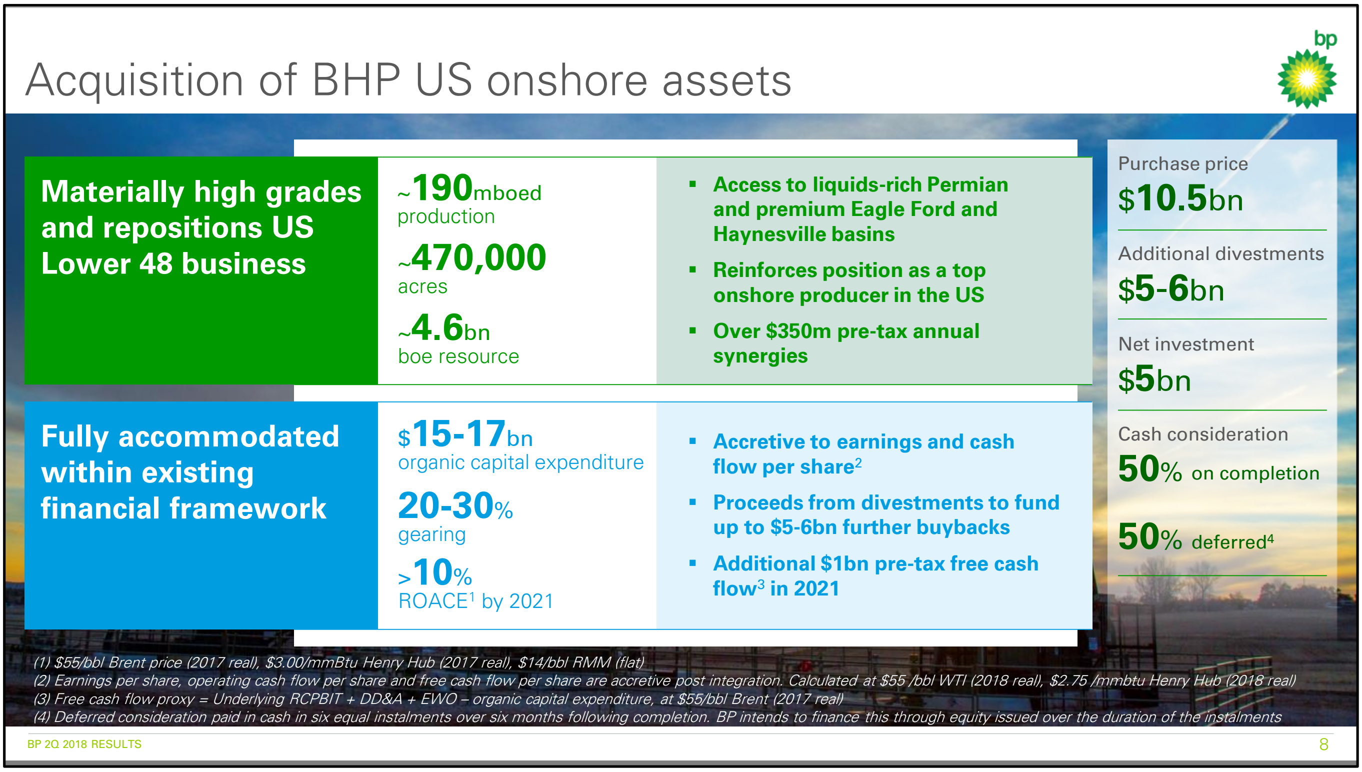
We continue to grow our gas and advantaged oil portfolio in the Upstream. We have a strong set of major projects out to 2021, driving growth in the near-term and creating deep optionality into the next decade. I can't remember when it has looked this good. Alongside that we are optimising and high-grading the portfolio, by deepening it in our core areas and exiting assets where we can create value by divesting to others. Over the past few years you have seen us do this in the Norwegian North Sea, Gulf of Mexico, Argentina and most recently through the transaction involving our Clair UK North Sea oil field.

At the same time we continue to look for things that are accretive to shape our portfolio, through inorganic investments such as the recent BHP transaction, which creates increased optionality across our existing US onshore operations as well as growing value in a basin where we previously didn't have access.

Looking at the Downstream, our market led growth strategy is making strong progress, particularly in our fuels marketing business around the world. We have expanded in major growth markets such as China and Mexico where we can offer customers a differentiated experience through our brand, high-quality products and services. We continue to progress our convenience retail offering in established markets, further supporting our goal to grow our earnings in the Downstream.

As I mentioned earlier we are moving forward in the broader advanced mobility space, which is integral to our low carbon agenda. We have made a number of investments so far this year in electric vehicle charging infrastructure and battery technology. These investments position us to take a compelling offer to a mobility market that is increasingly looking to electrification for its solutions.

We’re underpinning all of this activity with our commitment to modernise the whole group, from the systems and tools we employ, to the data we collect, and the new technologies which can transform the way we work.



Before I handover to Brian, let me take a few minutes to discuss the key points of the transaction we announced last week – one of the most exciting and transformational investments we have made in recent years.

The Lower 48 team laid the groundwork for this over the last four years, having radically transformed that business, driving significant improvements through the application of leading operational processes and technologies, and turning it into a top quartile operator.

The acquisition of these US onshore assets builds on this proven track record. It gives us access to one of the most exciting regions in our industry, the liquids-rich Permian-Delaware basin, as well as premium positions in the Eagle Ford and Haynesville basins. It adds high-quality assets and over 4.6 billion barrels of oil equivalent of resources, that repositions our existing Lower 48 business, materially high grading the portfolio.

Importantly, and this is very important, this acquisition will be accommodated within our existing financial frame, with our medium-term organic capital expenditure at $15–17 billion and our guidance for our balance sheet and returns on capital employed remaining unchanged.

To go together with this we have announced the intention to divest an additional $5-6 billion of assets, predominantly from the Upstream, bringing our net investment to around $5 billion in this transaction. Proceeds from divestments are expected to fund up to $5-6 billion of further share buybacks over time.

Post integration, we expect this acquisition to be accretive to earnings and cash flow per share, and by 2021 the Lower 48 is expected to be contributing an additional $1 billion to Upstream pre-tax free cash flow. As we look to the longer term, these long-lived unconventional oil and gas assets are an important addition to the suite of growth options we have, and provide material value creation potential into the next decade and beyond.

We will talk to you more about our plans for the business in the coming months, however for now let me handover to Brian who will take you through our second quarter financial results.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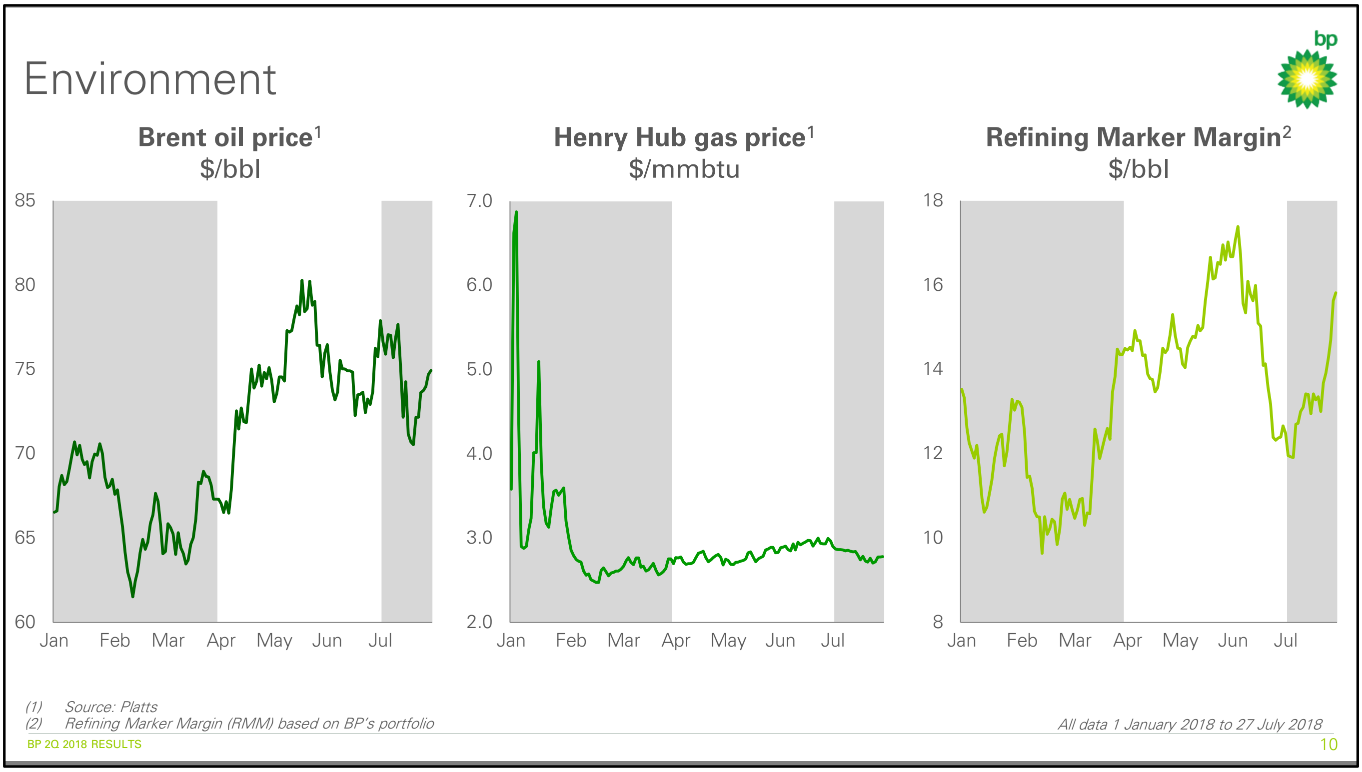
Brian Gilvary
Chief Financial Officer

Thanks Bob.



Firstly a brief overview of the environment in the second quarter.

Brent crude has averaged $74 per barrel for the second quarter of 2018 compared with $67 per barrel in the first quarter. This reflects continued strong oil demand, the reduction in OECD inventory levels and the supply demand dynamics Bob mentioned earlier.

US gas prices saw less volatility than in the first quarter, with Henry Hub gas prices averaging $2.80 per million British Thermal Units in the second quarter, compared with $3.00 in the first quarter.

BP's global refining marker margin averaged $14.90 per barrel in the second quarter, seasonally higher than the first quarter average of $11.70 per barrel and higher than a year ago. This reflects strong diesel demand leading to lower distillate stocks.

2Q 2018 results summary

$bn	2Q17	1Q18	2Q18
Underlying replacement cost profit	**0.7**	**2.6**	**2.8**
Underlying operating cash flow[1]	**6.9**	**5.4**	**7.0**
Underlying RCPBIT[2]			
Upstream	0.7	3.2	3.5
Downstream	1.4	1.8	1.5
Rosneft[3]	0.3	0.2	0.8
Other businesses and corporate	(0.4)	(0.4)	(0.5)
Underlying earnings per share (cents)	**3.5**	**13.0**	**14.1**
Dividend paid per share (cents)	**10.00**	**10.00**	**10.00**
Dividend declared per share (cents)	**10.00**	**10.00**	**10.25**

2Q 2018 vs 1Q 2018

- **Higher oil prices and refining margins**
- **Stronger Rosneft earnings**
- **Weaker supply and trading contribution**
- **Higher turnarounds**

(1) Underlying operating cash flow is net cash provided by/(used in) operating activities excluding post-tax Gulf of Mexico oil spill payments
(2) Replacement cost profit before interest and tax (RCPBIT), adjusted for non-operating items and fair value accounting effects
(3) BP estimate of Rosneft earnings after interest, tax and minority interest

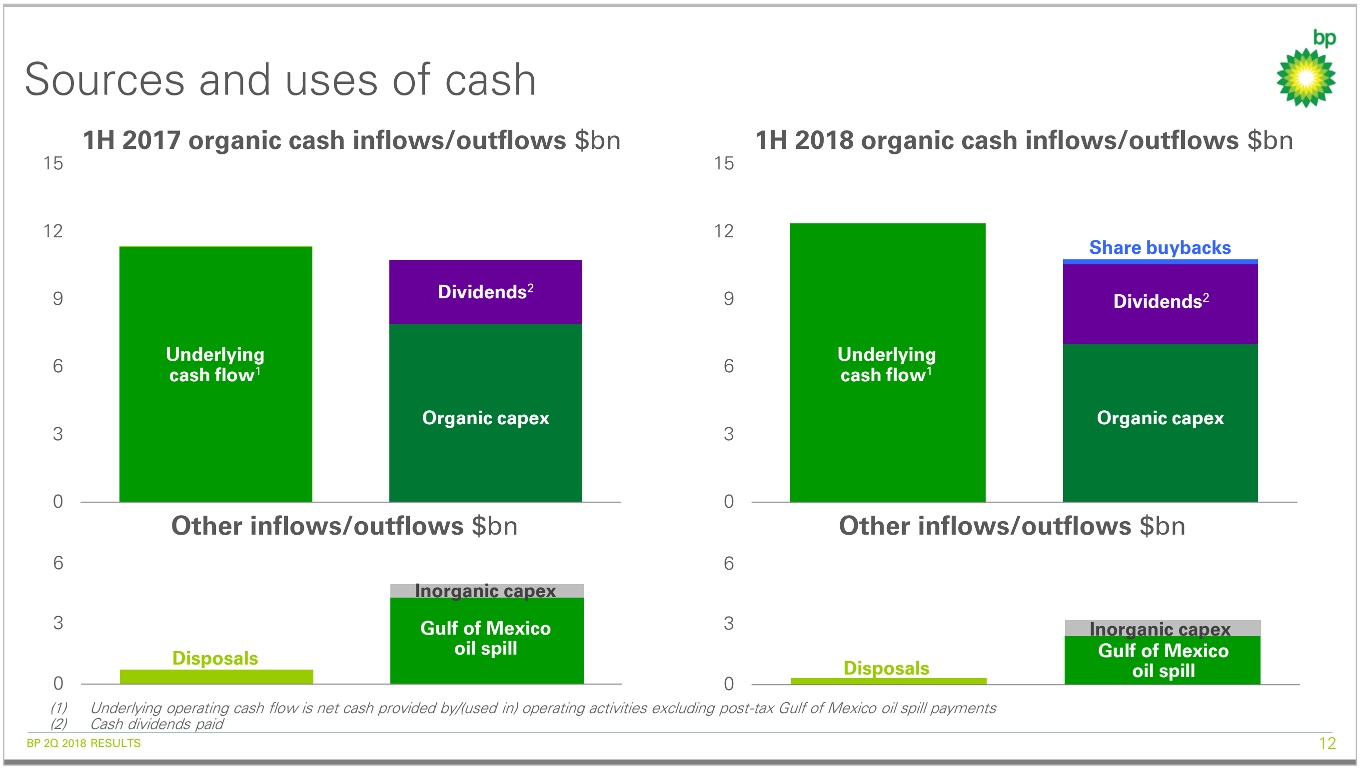
Moving to the Group’s results summary.

BP’s second quarter underlying replacement cost profit increased to $2.8 billion compared to $680 million a year ago and $2.6 billion in the first quarter of this year.

Compared to a year ago the result benefits from significantly higher Upstream liquids and gas realisations, lower exploration write-offs and an increased contribution from Rosneft. In the Downstream, the benefits of stronger industry refining margins and higher Canadian heavy crude discounts were partly offset by a small loss in oil supply and trading, and the divestment of our interest in the SECCO joint venture.

Compared to the first quarter, the result reflects an increased contribution from Rosneft, higher liquids realisations and lower costs in the Upstream. In the Downstream, the result benefitted from a stronger performance in fuels marketing, higher industry refining margins but lower WCS heavy crude discounts. In both the Upstream and Downstream the results were partly offset by a higher tax rate, increased turnaround activity and a weaker overall trading contribution.

As Bob previously mentioned, the second quarter dividend, payable in the third quarter of 2018, has been increased to 10.25 cents per ordinary share.



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

Excluding oil spill related outgoings, underlying operating cash flow was $12.4 billion for the first half, of which $7.0 billion was generated in the second quarter. This included a working capital release of $1.3 billion in the second quarter, partially offsetting the $1.7 billion build we saw in the first quarter.

Organic capital expenditure was $3.5 billion in the second quarter and $7.0 billion for the first half of 2018.

In the first half of 2018, our organic free cash flow surplus was $1.6 billion.

Turning to inorganic cash flows, in the first half of 2018 divestment and other proceeds totalled $300 million, we made post-tax Gulf of Mexico payments of $2.4 billion and inorganic capital expenditure was $800 million.

We have also remained active in our share buyback programme, and bought back 29 million ordinary shares in the first half of 2018 at a cost of $200 million.

At the end of the second quarter net debt reduced by $700 million and gearing was down to 27.8%.

Outlook and guidance

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3Q 2018 outlook

Upstream

- Production broadly flat – continued seasonal turnaround and maintenance activity

Downstream

- Lower industry refining margins
- Significantly higher level of turnaround activity in 2H18, particularly at Whiting refinery

2018 guidance

2018 guidance	**1H18** actual	**FY18** guidance
Organic capital expenditure	$7.0bn	**~$15bn**
DD&A	$7.7bn	**Higher than 2017**
Divestments	$0.3bn	**>$3bn**
Gulf of Mexico oil spill payments	$2.4bn	**Just over $3bn**
Gearing	27.8%	**20-30%**
Other businesses and corporate average underlying quarterly charge	$435m	**~$350m**
Underlying effective tax rate	40%	**>40%**

Turning to our guidance for 2018.

Looking to the third quarter we expect Upstream reported production to be broadly flat with the second quarter reflecting continued seasonal turnarounds and maintenance offset by the continued ramp-up of our major projects. In the Downstream, we expect lower industry refining margins. We also expect significantly higher levels of turnaround activity in the second half of the year, particularly at our Whiting refinery in the US.

At the mid-point of the year we have revised some of our 2018 guidance, specifically:

- We now expect organic capital expenditure to be around $15 billion, reflecting continuing capital efficiency and cost deflation; and

- Divestment proceeds in 2018 are now expected to be over $3 billion, with proceeds weighted towards the fourth quarter, this does not assume any proceeds from the divestment package we announced associated with the purchase of BHP's onshore Lower 48 business.

The rest of our guidance remains unchanged:

- The total DD&A charge is expected to be higher than 2017 reflecting higher Upstream production volumes

- Gulf of Mexico oil spill payments are expected to be just over $3 billion in 2018, with $2.4 billion already paid in the first half of the year

- Our balance sheet remains strong and we expect gearing to remain within the 20-30% band

- In Other Businesses and Corporate the average underlying quarterly charge is expected to be around $350 million, although this may fluctuate between individual quarters; and
- In the current environment the underlying effective tax rate is expected to remain above 40%.

Growing free cash flow and returns

Cost and capital discipline

Organic capital expenditure $15-17 billion

Reducing oil price breakeven

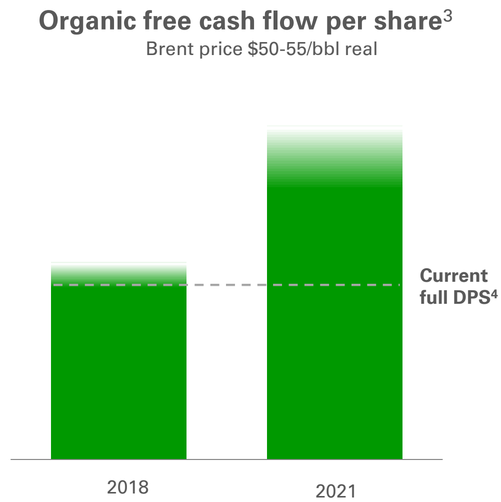
~$50/bbl in 2018[1] and $35-40/bbl by 2021

Growing distributions

Dividend increase and share buybacks

Competitive returns

ROACE > 10% by 2021 at $55/bbl[2]



(1) Operating cash flow excluding Gulf of Mexico oil spill payments less organic capital expenditure and the full dividend
(2) Brent oil prices 2017 real
(3) Organic free cash flow: operating cash flow excluding Gulf of Mexico oil spill payments less organic capital expenditure. In USD cents per ordinary share, based on BP planning assumptions
(4) DPS: dividend per ordinary share at current dividend rate being 10.25 cents per share per quarter

In summary, our financial framework is robust.

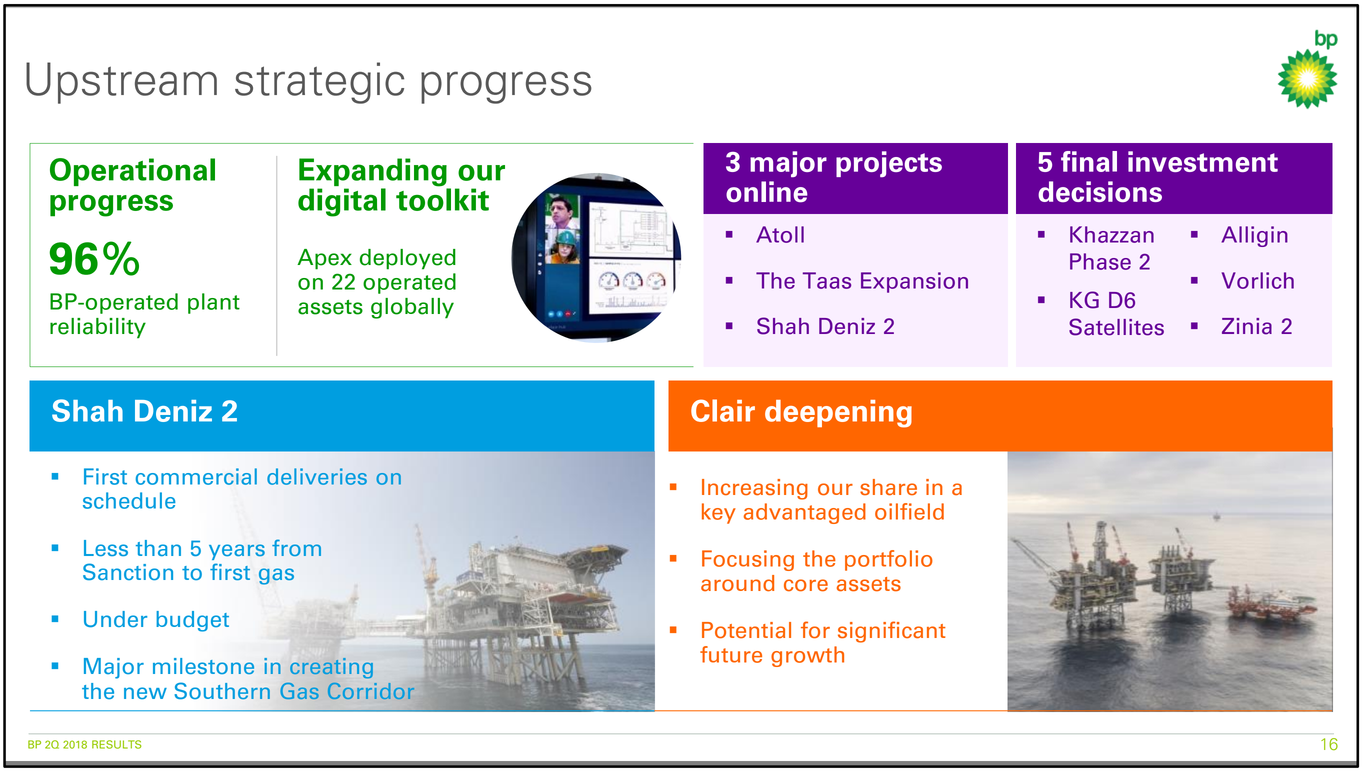
Underlying earnings continue to grow, underpinning the 2.5% increase to our quarterly dividend, to 10.25 cents per ordinary share.

Our organic capital spend is now expected to be around $15 billion in 2018 and we continue to expect 2018 organic free cash flow breakeven to be around $50 per barrel. Beyond this, we expect the oil price breakeven to steadily reduce to around $35-40 per barrel by 2021, and over the same period our ROACE to improve to over 10% at $55/bbl.

We expect to offset the dilution from scrip dividend issuance over time. And, as seen with the dividend increase announced last week, we remain committed to growing sustainable free cash flow and distributions to our shareholders over the long-term.

On that note, let me now hand back to Bob.

Thanks Brian.



Let me now update you on some key milestones for our operating segments, before we take your questions.

What you see in summary here on the slide for the Upstream is how our focus on quality execution is continuing to deliver record operating performance, with operated plant reliability remaining at 96% in the second quarter.

We have started up 3 major projects so far in 2018: Atoll in Egypt, the Taas Expansion in Russia, and earlier this month we started commercial deliveries from Shah Deniz Phase 2 on schedule.

Shah Deniz 2, is our largest operated subsea development, and along with the South Caucasus Pipeline Expansion, we expect costs to come in 20% below sanction. It is the starting point for the Southern Gas Corridor series of pipelines that will deliver natural gas from the Caspian Sea direct to European markets for the first time.

Looking ahead to growth into the next decade, we made five final investment decisions on projects in Oman, India, Angola and two in the UK North Sea. This further de-risks the 900 thousand barrels per day of incremental production from major projects that we expect to add by 2021.

We also recently announced that we are deepening our operated position in Clair in the UK North Sea, increasing our equity from around 29% to 45%. Clair has more than 7 billion barrels of oil initially in place, and has significant value associated with future development opportunities, including the Clair Ridge project currently under development.

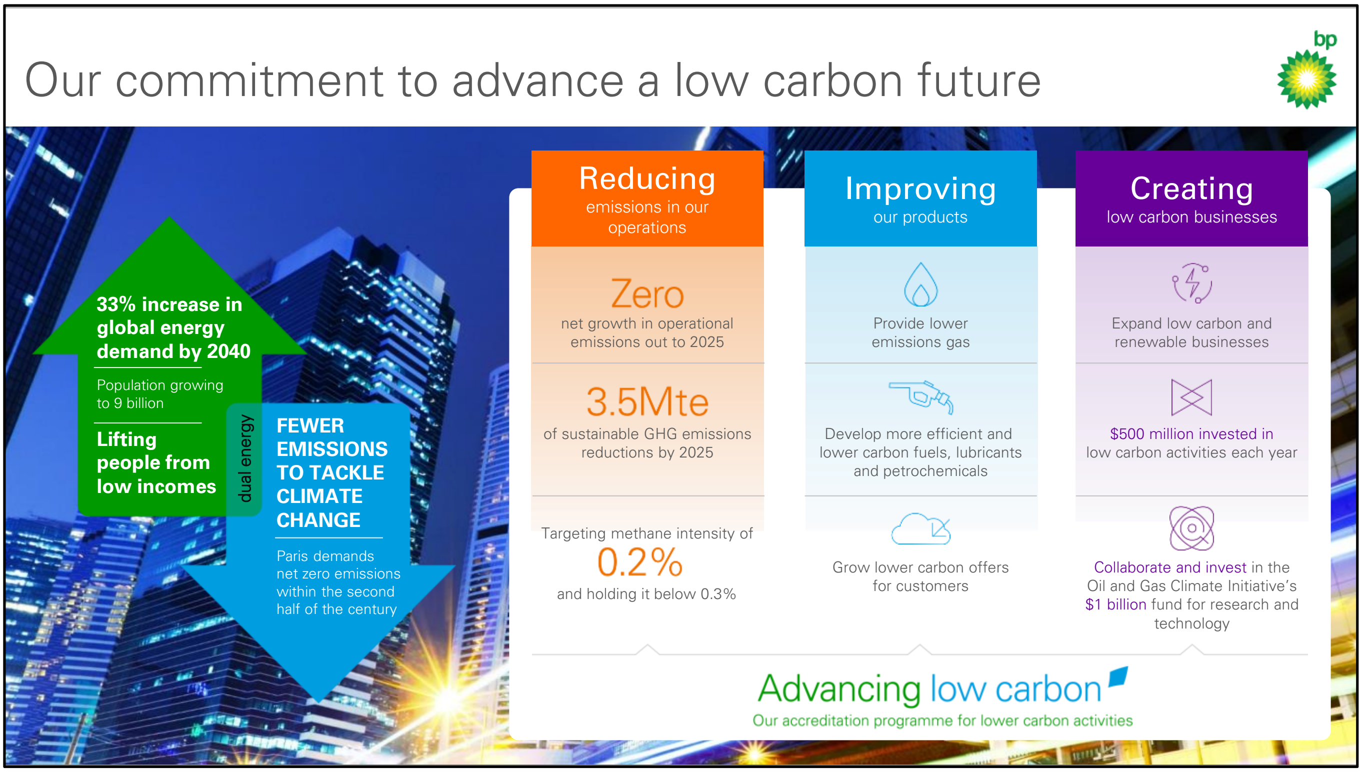
I'd like to also mention a great example of how we're moving ahead with our modernisation and transformation agenda. Earlier this year we introduced you to Apex. It sounds like the top of a mountain. Actually, it acts like a digital twin of real world facilities and allows us to optimise production. In 2Q we added it to over 1,000 wells in Alaska and we now have 22 operated assets globally using the tool. Last year, Apex contributed to the 0.6% growth we achieved in our base production, which gives you a sense of the impact digital can have.

In the Downstream, we're also moving ahead.

In Manufacturing, we continued to grow the value from refining commercial optimisation with our Whiting refinery in the US, processing record levels of crude for the half year. We also extended bio co-processing into more of our refineries. And in Petrochemicals, we announced two new PTA licensing agreements – one with SOCAR in Turkey and the other with Dushan Energy in China – demonstrating the strength of our industry-leading proprietary technology and allowing us to generate reliable sources of income without the need for capital investment.

In Retail, we now have our convenience partnership offer in more than 1,200 sites across our network. Through the strength of our brand and offer, we have also continued to grow premium fuels volumes. And in Mexico, having entered the market just last March, we have now opened more than 300 sites.

As mentioned, we have significantly progressed our advanced mobility agenda, through the acquisition of Chargemaster. And in May, we invested in StoreDot, a leading developer of ultra-fast charging battery technology. With these deals and our differentiated fuels and convenience offers, we are well-positioned to become the leading fuel provider for both conventional and electric vehicles.



Turning now to the dual energy challenge and our role in providing the world with the energy it demands, but produced and delivered with fewer emissions.

Earlier this year we released our Advancing the Energy Transition report, which lays out our commitment to advancing a low-carbon future. This commitment is integral to the broader strategy of BP – it's clear, and it involves every part of the business.

Our Reduce, Improve, Create – or R-I-C, framework sets out how we will achieve this across all parts of our business.

By:

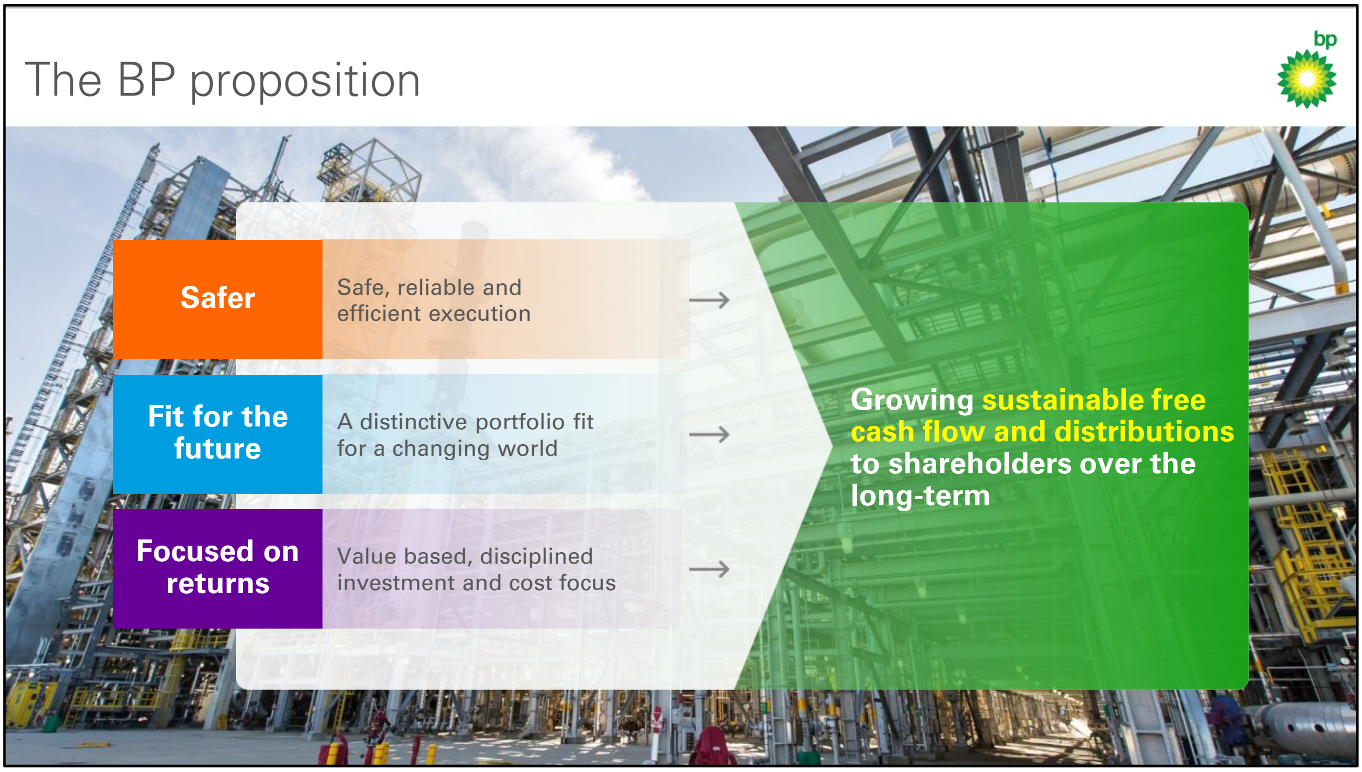
- Reducing emissions from our operations: This includes targets such as zero routine flaring in the Upstream by 2030, and the use of solar energy instead of gas to power pumps in our Lower 48 business.

- The 'I' in the RIC framework - improving our products: In addition to our PTAir products, and BP fuels with ACTIVE technology, we are looking at other ways to incrementally improve the products our Downstream manufactures, such as carbon neutral lubricants.

- And the 'C' in the framework - creating low carbon businesses; like LightsourceBP, which recently completed its first project in India, marking the company's first utility solar asset to be commissioned in a country with huge potential for solar energy.

These are all practical examples of our Reduce-Improve-Create framework in action. They include specific targets, because that's how you get things done. And it's an approach that draws on what we've learned over more than two decades of low carbon activity.

It's an approach we like and that we believe will deliver on the commitment we made.



Now, let me finish with a reminder of the BP proposition to you as shareholders and not only the words on this slide but what it looks like in reality.

Safe, reliable and efficient operations always come first, day-in and day-out – and executing our plan with discipline.

We're delivering on our plan, our operations are running reliably and we're bringing on our major projects on time and on budget – well under budget in the case of Shah Deniz Phase 2 project.

We're a global energy company with a distinctive portfolio that's balanced regionally, onshore and offshore, conventional and unconventional, and with a growing low carbon mix.

It's packed with optionality and we're optimising it all the time.

There is no better example of that than our new access to premium US onshore acreage in the Permian, Eagle Ford and Haynesville basins in the US, but you'll also see other examples this quarter like the Clair transaction with ConocoPhillips and our acquisition of Chargemaster.

And our commitment to capital discipline remains unchanged, generating even greater value for shareholders from our access right around the world, including some of the best basins in the US onshore.

And we're doing so while remaining within our existing and disciplined financial frame, as I set out earlier.

Together this is a proposition that we have had in place for some time.

It's consistent, it's working and it's all in service to our goal of growing sustainable free cash flow and distributions – as we did last week with the increase to our dividend.

Thank you very much, and let me now turn over to you for questions.

Q&A

Bob Dudley

Group Chief Executive

Brian Gilvary

Chief Financial Officer

Craig Marshall

Head of Investor Relations

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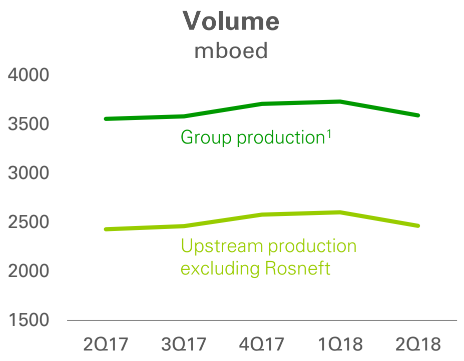
Appendix

2Q 2018 summary

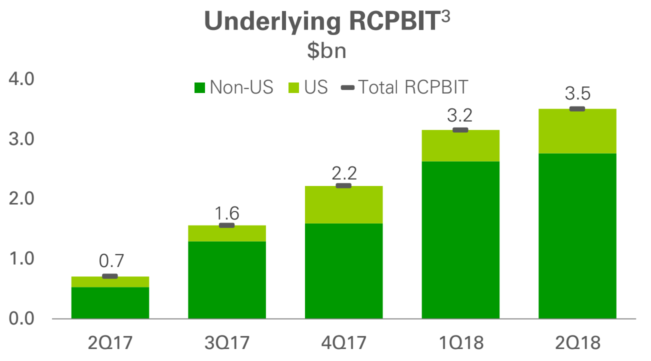
$bn	2Q17	1Q18	2Q18	% Y-o-Y	% Q-o-Q
Upstream	0.7	3.2	3.5		
Downstream	1.4	1.8	1.5		
Other businesses & corporate	(0.4)	(0.4)	(0.5)		
Underlying business RCPBIT[1]	**1.8**	**4.6**	**4.5**	**155%**	**(2%)**
Rosneft[2]	0.3	0.2	0.8		
Consolidation adjustment - unrealised profit in inventory	0.1	(0.2)	0.2		
Underlying RCPBIT[1]	**2.2**	**4.7**	**5.4**	**149%**	**15%**
Finance costs[3]	(0.4)	(0.5)	(0.4)		
Tax	(1.1)	(1.6)	(2.1)		
Minority interest	(0.0)	(0.1)	(0.1)		
Underlying replacement cost profit	**0.7**	**2.6**	**2.8**	**313%**	**9%**
Underlying effective tax rate[4]	60%	37%	42%		
Underlying operating cash flow[5]	**6.9**	**5.4**	**7.0**	**1%**	**31%**
Underlying earnings per share (cents)	**3.5**	**13.0**	**14.1**	**307%**	**9%**
Dividend paid per share (cents)	**10.00**	**10.00**	**10.00**	**0%**	**0%**
Dividends declared per share (cents)	**10.00**	**10.00**	**10.25**	**2.5%**	**2.5%**

(1) Replacement cost profit before interest and tax (RCPBIT), adjusted for non-operating items and fair value accounting effects
(2) BP estimate of Rosneft earnings after interest, tax and minority interest
(3) Finance costs and net finance income or expense relating to pensions and other post-retirement benefits
(4) Underlying effective tax rate on replacement cost profit adjusted to remove the effects of non-operating items and fair value accounting effects
(5) Underlying operating cash flow is net cash provided by/(used in) operating activities excluding post-tax Gulf of Mexico oil spill payments

Upstream



Realisations[2]	2Q17	1Q18	2Q18
Liquids ($/bbl)	46	61	67
Gas ($/mcf)	3.2	3.8	3.7



2Q 2018 versus 1Q 2018

- Higher liquids realisations
- Lower costs including lower exploration write-offs

Partly offset by

- Lower gas marketing and trading results
- Lower production

(1) Group reported oil and gas production including Rosneft
(2) Realisations based on sales of consolidated subsidiaries only, excluding equity-accounted entities
(3) Replacement cost profit before interest and tax (RCPBIT), adjusted for non-operating items and fair value accounting effects

Downstream

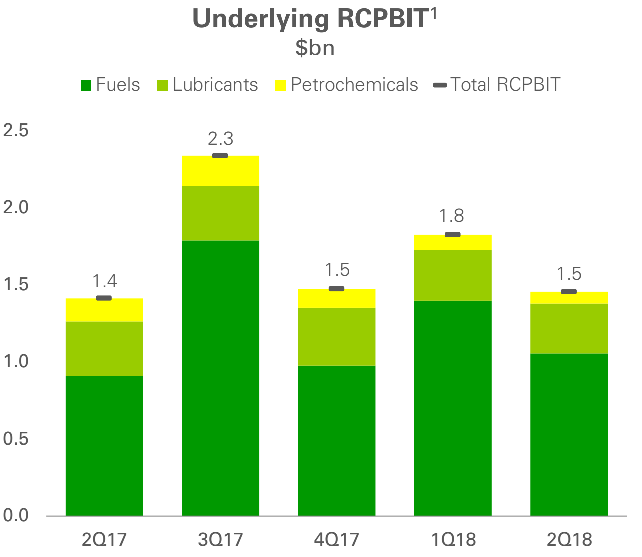
93% Refining availability 1Q18: 95%	Refining environment	2Q17	1Q18	2Q18
	RMM ($/bbl)	13.8	11.7	14.9

2Q 2018 versus 1Q 2018

- Higher fuels marketing performance
- Stronger industry refining margins, lower WCS discounts

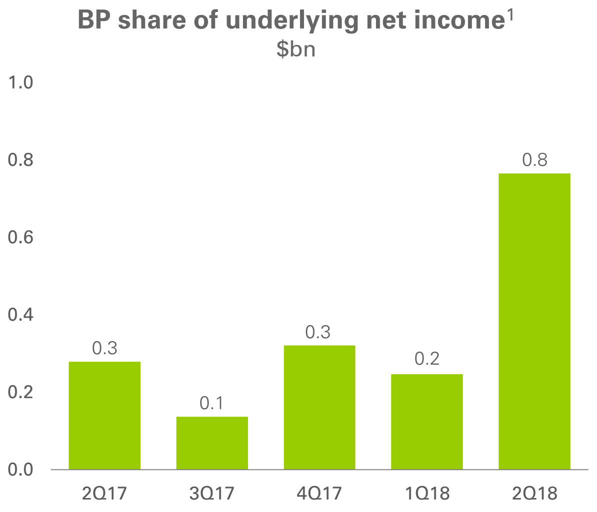
More than offset by

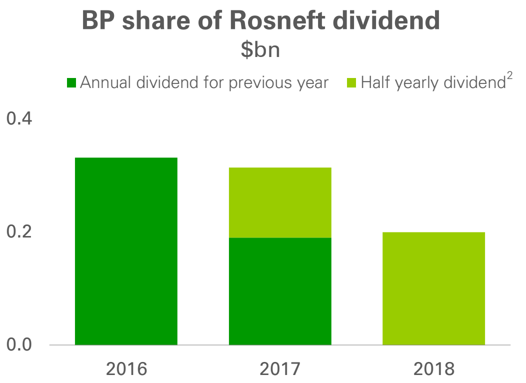
- A small loss in supply and trading
- Significantly higher turnaround activity
- Increased maintenance impacting refining availability
- Seasonal phasing of costs



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

Rosneft





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BP share of Rosneft production

(1) *On a replacement cost basis and adjusted for non-operating items; 2Q18 represents BP estimate*
(2) *Half yearly dividend representing 50% of Rosneft's IFRS net income. 2018 dividend: On 21 June the Rosneft's AGM approved a 2H17 dividend. BP's share is estimated at $200m after tax at current foreign exchange rates. Expected to be paid in the third quarter.*