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 – 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 future oil prices and supply and demand, including the potential for continued OPEC and non-OPEC production cuts; expectations with regard to industry refining margins, crude oil differentials and turnaround activity in the third quarter of 2017; expectations with respect to the refining margins and development costs of new projects; expectations with respect to Downstream refining margins, earnings growth, free cash flow and returns through 2021; expectations with respect to Upstream reported production in the third quarter of 2017; expectations regarding the ramp-up of Upstream production through 2018; expectations with respect to future Upstream unit production costs and pre-tax cash flow; expectations with respect to BP’s share of Rosneft’s production in the second quarter of 2017; expectations with respect to the timing and amount of future payments relating to the Gulf of Mexico oil spill; plans and expectations with respect to Upstream projects, investments and activities in Egypt, Trinidad, Oman, and Australia; expectations regarding Upstream production in the third quarter of 2017; plans and expectations that BP will add more than 1 million barrels per day of new oil equivalent production by 2021 from 2016, including 800 thousand barrels per day from major project start-ups and around 200 thousand barrels per day from recent portfolio additions; expectations regarding operating cash flow, the cash flow impact of restructuring charges, organic capital expenditure, inorganic cash outflow, divestment proceeds, the average underlying quarterly charge and the effective tax rate; plans and expectations to target gearing within a 20-30% band; plans and expectations to reduce the organic cash balance point to around $35-40 per barrel by 2021; 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; 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 the results announcement for the period ended 30 June 2017 and “Risk factors” in BP Annual Report and Form 20-F 2016 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.
Bob Dudley
Group Chief Executive
Agenda

▪ Environment
▪ Overview
▪ 2Q 2017 Results
▪ Financial frame
▪ Business update
▪ Q&A
Macro environment

Brent oil price\(^1\)
$/bbl

OECD commercial inventories\(^2\)
mbbls

(1) Source: Platts  (2) Source: International Energy Agency © OECD/IEA 2017
Resilience, growth and sustainability

- Relentless focus on safe, reliable, efficient operations
- Major projects deliver higher operating cash margins
- Downstream resilience and growth
- Continued capital and cost efficiency

(1) 2016-2025 average pre-tax operating cash flow per barrel at flat $52/bbl
(2) 800mboed from major projects 2015-2020 + major project production in 2021 + new production from recent portfolio additions
(3) Improvement in underlying replacement cost profit before interest and tax, adjusted for refining environment, forex, turnaround and portfolio impacts, 2016-2021
Environment

### Brent Oil Price

<table>
<thead>
<tr>
<th>Month</th>
<th>$/bbl</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr 17</td>
<td>46</td>
</tr>
<tr>
<td>May 17</td>
<td>48</td>
</tr>
<tr>
<td>Jun 17</td>
<td>50</td>
</tr>
<tr>
<td>Jul 17</td>
<td>44</td>
</tr>
</tbody>
</table>

### Henry Hub Gas Price

<table>
<thead>
<tr>
<th>Month</th>
<th>$/mmbtu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr 17</td>
<td>3.0</td>
</tr>
<tr>
<td>May 17</td>
<td>3.1</td>
</tr>
<tr>
<td>Jun 17</td>
<td>3.2</td>
</tr>
<tr>
<td>Jul 17</td>
<td>2.9</td>
</tr>
</tbody>
</table>

### Refining Marker Margin

<table>
<thead>
<tr>
<th>Month</th>
<th>$/bbl</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun 17</td>
<td>2.8</td>
</tr>
<tr>
<td>Jul 17</td>
<td>3.3</td>
</tr>
</tbody>
</table>

---

(1) Source: Thomson Reuters Datastream
(2) Refining Marker Margin (RMM) based on BP’s portfolio
All data 1 April to 28 July 2017
## 2Q 2017 Summary

<table>
<thead>
<tr>
<th></th>
<th>2Q16</th>
<th>1Q17</th>
<th>2Q17</th>
<th>% Y-o-Y</th>
<th>% Q-o-Q</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$bn</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upstream</td>
<td>0.0</td>
<td>1.4</td>
<td>0.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downstream</td>
<td>1.5</td>
<td>1.7</td>
<td>1.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other businesses &amp; corporate</td>
<td>(0.4)</td>
<td>(0.4)</td>
<td>(0.4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Underlying business RCPBIT</strong></td>
<td>1.2</td>
<td>2.7</td>
<td>1.8</td>
<td>51%</td>
<td>(34%)</td>
</tr>
<tr>
<td>Rosneft</td>
<td>0.2</td>
<td>0.1</td>
<td>0.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidation adjustment - unrealised profit in inventory</td>
<td>(0.1)</td>
<td>(0.1)</td>
<td>0.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Underlying RCPBIT</strong></td>
<td>1.3</td>
<td>2.7</td>
<td>2.2</td>
<td>68%</td>
<td>(20%)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(0.3)</td>
<td>(0.4)</td>
<td>(0.4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax</td>
<td>(0.2)</td>
<td>(0.8)</td>
<td>(1.1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minority interest</td>
<td>(0.0)</td>
<td>(0.0)</td>
<td>(0.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Underlying replacement cost profit</strong></td>
<td>0.7</td>
<td>1.5</td>
<td>0.7</td>
<td>(5%)</td>
<td>(55%)</td>
</tr>
<tr>
<td><strong>Underlying operating cash flow</strong></td>
<td>5.5</td>
<td>4.4</td>
<td>6.9</td>
<td>26%</td>
<td>57%</td>
</tr>
<tr>
<td>Underlying earnings per share (cents)</td>
<td>3.9</td>
<td>7.7</td>
<td>3.5</td>
<td>(10%)</td>
<td>(55%)</td>
</tr>
<tr>
<td>Dividend paid per share (cents)</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

(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 operating cash flow is net cash provided by/(used in) operating activities excluding pre-tax Deepwater Horizon payments
Upstream

Realisations\(^1\)
$/bbl, $/mcf

<table>
<thead>
<tr>
<th></th>
<th>2Q16</th>
<th>3Q16</th>
<th>4Q16</th>
<th>1Q17</th>
<th>2Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquids ($/bbl)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gas ($/mcf)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Volume
mboe/d

<table>
<thead>
<tr>
<th></th>
<th>2Q16</th>
<th>3Q16</th>
<th>4Q16</th>
<th>1Q17</th>
<th>2Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group production(^2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upstream production excluding Rosneft</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Underlying RCPBIT\(^3\)
$bn

<table>
<thead>
<tr>
<th></th>
<th>2Q16</th>
<th>3Q16</th>
<th>4Q16</th>
<th>1Q17</th>
<th>2Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-US</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>US</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total RCPBIT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

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

### Refining environment

- **$/bbl**
  - RMM
  - WTI CMA-WCS spread\(^1\)

### Refining availability

- **%**

### Underlying RCPBIT\(^2\)

- **$bn**
  - Fuels
  - Lubricants
  - Petrochemicals
  - Total RCPBIT

---

(1) Source: Platts (CMA: Calendar Month Average); lagged by one month

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

Average Urals price
$/bbl

BP share of underlying net income\(^1\)
$bn

BP’s share of Rosneft annual dividend\(^2\)
$bn

(1) On a replacement cost basis and adjusted for non-operating items; 2Q17 represents BP estimate
(2) Rosneft dividends paid in the third quarter
Other items

**OB&C underlying RCPBIT**

<table>
<thead>
<tr>
<th></th>
<th>2Q16</th>
<th>3Q16</th>
<th>4Q16</th>
<th>1Q17</th>
<th>2Q17</th>
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</thead>
<tbody>
<tr>
<td>$bn</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>(0.1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(0.2)</td>
<td></td>
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</tr>
<tr>
<td>(0.3)</td>
<td></td>
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<tr>
<td>(0.4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(0.5)</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

**Adjusted effective tax rate**

<table>
<thead>
<tr>
<th></th>
<th>2Q16</th>
<th>3Q16</th>
<th>4Q16</th>
<th>1Q17</th>
<th>2Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Other businesses and corporate replacement cost profit before interest and tax (RCPBIT), adjusted for non-operating items
(2) Effective tax rate on replacement cost profit adjusted to remove the effects of non-operating items and fair value accounting effects
Sources and uses of cash

1H16 organic cash inflows/outflows $bn

- Underlying cash flow$^1$
- Dividends$^2$
- Organic capex
- Other inflows/outflows $bn

1H17 organic cash inflows/outflows $bn

- Underlying cash flow$^1$
- Dividends$^2$
- Organic capex
- Other inflows/outflows $bn

(1) Underlying operating cash flow is net cash provided by/(used in) operating activities excluding pre-tax Deepwater Horizon payments
(2) Cash dividend paid
Financial framework

- Momentum in underlying operating cash flow
  - Upstream: major projects ramp-up
  - Downstream: underlying performance improvement and marketing growth
  - Continuous efficiency improvement and transformation
- Disciplined Group capital frame – flexible to a changing environment

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018 - 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic capital expenditure</td>
<td>$15 - 17bn with flexibility at lower end</td>
<td>$15 - 17bn p.a. with flexibility at lower end</td>
</tr>
<tr>
<td>Divestments</td>
<td>$4.5 - 5.5bn</td>
<td>Typically $2 - 3bn p.a.</td>
</tr>
<tr>
<td>Deepwater Horizon cash payments</td>
<td>$4.5 - 5.5bn</td>
<td>~$2bn in 2018 Stepping down thereafter</td>
</tr>
</tbody>
</table>
Capacity to grow distributions

**Organic free cash flow per share**

- Brent price
  - $50-55/bbl real

- Current cash DPS
- 100% current DPS

**Oil price balance point**

$35-40/bbl

(1) 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.

(2) DPS: dividend per ordinary share. Cash DPS assumes 20% scrip uptake.

(3) Illustrative only, not to scale. Based on BP planning assumptions. Covers full dividend.
Upstream key messages

**SAFETY**

# 1 core value

**2017 DELIVERY**

7 major project start-ups

>40% unit production costs reduction vs. 2013

**MEDIUM TERM GROWTH UPGRADED**

$13-14bn

5% production growth\(^2\)

flat capital $13-14bn p.a.

declining unit production costs

free cash flow in 2021\(^1\)

**STRONGER LONG TERM GROWTH**

increased growth capacity

improved capital productivity and returns

modernisation and transformation agenda

---

(1) Free cash flow proxy = Underlying RCOP+DD&A+EWO-Organic capital expenditure, at $55/bbl Brent real

(2) 2016–2021 compound annual growth rate
Upstream milestones and progress

3 major project start ups

- West Nile Delta T/L
- Trinidad Onshore Compression
- Quad 204

7 major projects in 2017

<table>
<thead>
<tr>
<th>ONLINE</th>
<th>COMMISSIONING</th>
<th>ON TRACK</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Nile Delta – Taurus/Libra</td>
<td>Persephone</td>
<td>Khazzan</td>
</tr>
<tr>
<td>Trinidad Onshore Compression</td>
<td></td>
<td>Zohr</td>
</tr>
<tr>
<td>Quad 204</td>
<td>Juniper</td>
<td></td>
</tr>
</tbody>
</table>

Exploration discoveries

- Savanna and Macadamia in Trinidad
- Yakaar in Senegal
- North Damietta in Egypt
Major projects ahead of schedule

**BP net production from new major projects**

- **2016**
  - In Salah Southern Fields
  - Thunder Horse Water Injection
  - Point Thomson
  - Angola LNG
  - In Amenas Compression
  - Thunder Horse South Expansion

- **2017**
  - West Nile Delta – Taurus/Libra
  - Trinidad Onshore Compression
  - Quad 204
  - Persephone
  - Juniper
  - Khazzan Phase 1
  - Zohr

- **2018**
  - Atoll Phase 1
  - Clair Ridge
  - Constellation
  - Shah Deniz 2

- **2019 - 2020**
  - Angelin
  - Culzean
  - KG D6 R-Series
  - Tangguh Expansion
  - West Nile Delta – GFR
  - Western Flank B
  - Atlantis Phase 3
  - Cassia Compression
  - Khazzan Phase 2

800mboed of new production by 2020
Downstream key messages

**SAFETY**

#1 core value

**UNDERLYING EARNINGS GROWTH**

>$6bn 2014-21

|$3bn delivered$2

>$3bn still to come

**COMPETITIVELY ADVANTAGED BUSINESSES**

Profitable marketing growth | Advantaged manufacturing | Continued focus on cost | Lower carbon and digitally enabled future

**MEDIUM TERM GROWTH**

$9-10bn free cash flow in 2021$3

~20% pre-tax returns in 2021

---

(1) Underlying replacement cost profit before interest and tax, adjusted for refining environment, forex, turnaround and portfolio impacts
(2) 2014-2016
(3) Free cash flow proxy = underlying RCOP+DD&A – Organic capital expenditure. 2021 at $14/bbl RMM,$15/bbl WTI-WCS crude differential and Brent crude price of $55/bbl real
Expanding earnings potential and improving resilience

Underlying earnings growth 2016-21

$bn

> $3bn

- Fuels Marketing > $1.4bn
- Lubricants > $0.6bn
- Advantaged Manufacturing > $1bn

Improved Downstream resilience

RMM² $/bbl

2006-2015 RMM range³

$6 - 8/bbl⁴

(1) Adjusting for refining environment, foreign exchange, turnaround and portfolio impacts
(2) BP Refining Marker Margin as published on bp.com
(3) Excludes global financial crisis (2009 & 2010)
(4) 2021 projection based on $15/bbl WTI-WCS crude differential and Brent crude price of $55/bbl real
Downstream milestones and strategic progress

**Profitable marketing growth**

*Continued fuels marketing growth*

Pre-tax earnings $bn

~ 20%

1H16

1H17

**Advantaged manufacturing**

**Underlying earnings growth**

**Refining**

- Higher commercial optimisation
- Increased advantaged feedstock

**Petrochemicals**

- Industry-leading PTA technology
- Record production at Zhuhai
## The BP proposition

<table>
<thead>
<tr>
<th>Safeer</th>
<th>Safe, reliable and efficient execution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fit for the future</td>
<td>A distinctive portfolio fit for a changing world</td>
</tr>
<tr>
<td>Focused on returns</td>
<td>Value based, disciplined investment and cost focus</td>
</tr>
<tr>
<td></td>
<td>Growing <strong>sustainable free cash flow and distributions</strong> to shareholders over the long-term</td>
</tr>
</tbody>
</table>
Q&A

Bob Dudley
Group Chief Executive

Brian Gilvary
Chief Financial Officer

Jess Mitchell
Group Head of Investor Relations