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| Quarter 2003 | Quarter 2004 | Quarter 2004 | \$ million | Year 2004 | Year 2003 | % |
|-----------------|-----------------|-----------------|------------------------------|--------------|--------------|----|
| ===== | | | | ===== | | |
| | | | Replacement cost profit | | | |
| 2,250 | 3,456 | 3,028 | for the period (a) | 14,088 | 10,466 | |
| 637 | 481 | 618 | Acquisition amortization(b) | 2,120 | 2,392 | |
| ----- | | | | ----- | | |
| 2,887 | 3,937 | 3,646 | Pro forma result | 16,208 | 12,858 | 26 |
| ===== | | | | ===== | | |
| 13.07 | 18.17 | 16.89 | - per ordinary share (cents) | 74.27 | 57.99 | 28 |
| 0.78 | 1.09 | 1.02 | - per ADS (dollars) | 4.46 | 3.48 | |
| 7.68 | 9.99 | 9.05 | - per ordinary share (pence) | 40.58 | 35.58 | 14 |
| ===== | | | | ===== | | |
| 6.75 | 7.10 | 8.50 | Dividend per share (cents) | 29.45 | 26.00 | 13 |
| 0.41 | 0.43 | 0.51 | Dividend per ADS (dollars) | 1.77 | 1.56 | |
| 3.674 | 3.910 | 4.522 | Dividend per share (pence) | 16.099 | 15.517 | 4 |
| ===== | | | | ===== | | |

- o BP's fourth quarter pro forma result was \$3,646 million, compared with \$2,887 million a year ago, an increase of 26%. For the year, the result was \$16,208 million compared with \$12,858 million, up 26%. Replacement cost profit for the fourth quarter and year was \$3,028 million and \$14,088 million respectively, compared with \$2,250 million and \$10,466 million a year ago.
- o The fourth quarter result includes net exceptional and non-operating charges of \$1,127 million compared with a net gain of \$204 million in the fourth quarter of 2003.
- o The fourth quarter trading environment was stronger than a year ago, with higher oil and gas realizations and higher refining, marketing and chemicals margins.
- o Net cash outflow for the quarter was \$1.0 billion and net cash inflow for the year was \$6.0 billion, compared with an outflow of \$1.8 billion and an inflow of \$1.4 billion a year ago. Net cash inflow from operating activities for the quarter and year was \$7.0 billion and \$28.6 billion respectively, compared with \$3.5 billion and \$21.7 billion a year ago. Strong annual cash flow has enabled significant share buy-backs.
- o The pro forma ratio of net debt to net debt plus equity was 24% at the end of the quarter.
- o Return on average capital employed for the quarter and year respectively, on a pro forma basis, was 17.4% and 19.6%, compared with 15.5% and 17.8% a year ago. The cash return for the quarter was 39% compared with 28% a year ago, and for the year was 35% compared with 31% a year ago.
- o The quarterly dividend is 8.50 cents per share (\$0.51 per ADS). This compares with 6.75 cents per share a year ago. For the year the dividend showed an increase of 13%. In sterling terms, the quarterly dividend is 4.522 pence per share compared with 3.674 pence a year ago; for the year the dividend showed an increase of 4%. During the year, the company repurchased for cancellation 827 million of its own shares, at a cost of \$7.5 billion.

BP Group Chief Executive, Lord Browne, said:

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"Against the backdrop of strong oil demand, we have had a very successful year both operationally and financially. Our strong cash flow is now reflecting the results of our significant investment programme over the past few years and improvements in underlying performance in line with strategy. As a result of the strong cash flow we have been able to continue to invest for the future of the company, we have made significant share buybacks and we have consistently increased the dividend. In addition, our confidence in the future has enabled us to make the step change in the dividend announced today."

The pro forma result has been derived from the group's reported UK GAAP accounting information but is not in itself a recognized UK or US GAAP measure. This financial performance information and measures derived therefrom, shown above and elsewhere in the document, are provided in order to enable investors to evaluate better BP's performance against that of its competitors. BP will discontinue pro forma reporting at the time it adopts International Financial Reporting Standards with effect from the first quarter of 2005.

- (a) Replacement cost profit for the period includes the net profit or loss on the sale of fixed assets and businesses or termination of operations. It also includes non-operating items identified by the group, primarily asset write-downs/impairment, environmental and other provisions and restructuring, integration and rationalization costs. These items do not meet the criteria to be classified as operating exceptional items.
- (b) Acquisition amortization is depreciation and amortization relating to the fixed asset revaluation adjustments and goodwill consequent upon the ARCO and Burmah Castrol acquisitions. The results for 2003 and 2004 include accelerated depreciation of the revaluation adjustment in respect of the impairment of former ARCO assets.

Summary Fourth Quarter Results

Exploration and Production's record fourth quarter result was up 68% on a year ago reflecting higher liquids and gas realizations and increased volumes, partly offset by the impact of the weaker US dollar and higher costs.

The Refining and Marketing result was a record \$1,799 million, an increase of \$1,268 million compared with a year ago. This was driven primarily by significantly higher refining margins, higher marketing margins and an exceptional gain, offset partly by charges related primarily to a review of carrying values of fixed and current marketing assets.

The Petrochemicals result reflects exceptional and non-operating charges, higher fixed costs and adverse foreign exchange impacts, offset partially by higher margins and volumes.

In Gas, Power and Renewables, the improved result reflects a higher marketing and trading result, a higher contribution from the natural gas liquids and solar businesses and an exceptional gain.

Interest and other finance expense for the quarter was \$315 million compared with \$235 million for the prior quarter. The increase relates primarily to an increase in debt, higher interest rates and a revaluation of environmental and other provisions at a lower discount rate.

The pro forma effective tax rate on replacement cost profit was 36.6%.

Capital expenditure, excluding acquisitions, was \$4.6 billion for the quarter. Total capital expenditure and acquisitions was \$6.1 billion including the acquisition of Solvay's interests in BP Solvay Polyethylene Europe and BP Solvay Polyethylene North America. Disposal proceeds for the quarter were \$1 billion.

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Net debt at the end of the quarter was \$21.6 billion. The pro forma ratio of net debt to net debt plus equity was 24% at the end of the year compared with 22% at the end of the third quarter.

During the fourth quarter, the company repurchased for cancellation 206 million of its own shares, at a cost of \$2 billion.

The commentaries above and following are based on the pro forma replacement cost results.

TNK-BP operational and financial information has been estimated.

BP Solvay ventures were consolidated with effect from 2 November 2004.

The financial information for 2003 has been restated to reflect (a) the transfer of natural gas liquids (NGLs) operations from the Exploration and Production segment to Gas, Power and Renewables on 1 January 2004; (b) the adoption by the group of Financial Reporting Standard No. 17 'Retirement Benefits' (FRS 17) with effect from 1 January 2004; and (c) the adoption by the group of Urgent Issues Task Force Abstract No. 38 'Accounting for ESOP Trusts' with effect from 1 January 2004. For further information see Note 1.

Exceptional and Non-Operating Items

| \$ million | 4Q 2004 | |
|--------------------------------|----------------------|-------------------------------------|
| | Exceptional Items | Non-Operating Items and UPIS (a) |
| Exploration and Production | 32 | (52) |
| Refining and Marketing | 58 | - |
| Petrochemicals | (377) | (1,149) |
| Gas, Power and Renewables | 40 | - |
| Other businesses and corporate | (26) | (29) |
| | (273) | (1,230) |
| Taxation | 130 | 246 (b) (c) |
| | (143) | (984) |

- (a) Charges for environmental and other provisions have been classified as non-operating items in 2004 and prior periods restated to conform with this treatment.
- (b) The Petrochemicals non-operating items, primarily impairment charges, attract tax relief at a lower rate than described in note (c) below
- (c) Tax on other non-operating items and Unrealized Profit in Stock (UPIS) is calculated using the pro forma effective tax rate on replacement cost profit, excluding exceptional items, of 34.3%.

Reconciliation of Reported Results to Pro Forma Results

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| | | | | | |
|----------------------------|------------|------------|--|------------|------------|
| 2,887 | 3,937 | 3,646 | Pro forma result | 16,208 | 12,858 |
| 2,250 | 3,456 | 3,028 | Replacement cost profit | 14,088 | 10,466 |
| 2,334 | 4,483 | 2,534 | Historical cost profit | 15,731 | 10,482 |
| ----- | | | | | |
| 22,122,610 | 21,713,966 | 21,525,978 | Shares in issue at period end (thousand) - ADS equivalent | 21,525,978 | 22,122,610 |
| 3,687,102 | 3,618,994 | 3,587,663 | (thousand) | 3,587,663 | 3,687,102 |
| 22,103,542 | 21,683,963 | 21,607,872 | Average number of shares outstanding (thousand) - ADS equivalent | 21,820,535 | 22,170,741 |
| 3,683,924 | 3,613,994 | 3,601,312 | (thousand) | 3,636,756 | 3,695,124 |
| ----- | | | | | |
| Per ordinary share (cents) | | | | | |
| 13.07 | 18.17 | 16.89 | Pro forma result | 74.27 | 57.99 |
| 10.18 | 15.96 | 14.03 | RC profit for the period | 64.55 | 47.20 |
| 10.56 | 20.67 | 11.80 | HC profit for the period | 72.08 | 47.27 |
| ----- | | | | | |
| Per ADS (cents) | | | | | |
| 78.42 | 109.02 | 101.34 | Pro forma result | 445.62 | 347.94 |
| 61.08 | 95.76 | 84.18 | RC profit for the period | 387.30 | 283.20 |
| 63.36 | 124.02 | 70.80 | HC profit for the period | 432.48 | 283.62 |
| ----- | | | | | |

Exploration and Production

| 4Q 2003 | 3Q 2004 | 4Q 2004 | \$ million | Year | |
|------------------|------------|------------|---|--------|--------|
| ===== | | | | 2004 | 2003 |
| 2,848 | 4,883 | 5,093 | Replacement cost profit before interest and tax | 18,520 | 14,666 |
| 426 | 261 | 396 | Acquisition amortization | 1,239 | 1,566 |
| ----- | | | | | |
| 3,274 | 5,144 | 5,489 | Pro forma replacement cost result before interest and tax | 19,759 | 16,232 |
| ===== | | | | | |
| Results include: | | | | | |
| (308) | (7) | (117) | Asset write-downs/impairment | (407) | (357) |
| - | - | - | Environmental and other provisions | - | - |
| (15) | - | - | Restructuring, integration and rationalization costs | - | (117) |
| - | (35) | 8 | Other | (27) | - |
| (57) | (95) | 57 | Unrealized profit in stock (UPIS) | (191) | (61) |
| ----- | | | | | |
| (380) | (137) | (52) | Total non-operating items and UPIS | (625) | (535) |
| (49) | 23 | 32 | Exceptional items | 152 | 913 |
| ===== | | | | | |
| (429) | (114) | (20) | Total non-operating items, UPIS and exceptional items | (473) | 378 |
| ===== | | | | | |

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| | | | | | |
|-----------------------------------|-------|-------|-------------------------------------|-------|-------|
| 193 | 135 | 258 | Exploration expense | 637 | 542 |
| | | | Of which: | | |
| 129 | 34 | 151 | Exploration expenditure written off | 274 | 297 |
| ----- | | | | | |
| | | | | | |
| Production (Net of Royalties) | | | | | |
| 2,248 | 2,298 | 2,396 | Crude oil (mb/d) | 2,340 | 1,911 |
| 206 | 181 | 197 | Natural gas liquids (mb/d) | 191 | 210 |
| 2,454 | 2,479 | 2,593 | Total liquids (mb/d) (a) | 2,531 | 2,121 |
| 8,600 | 8,275 | 8,714 | Natural gas (mmcf/d) | 8,503 | 8,613 |
| 3,936 | 3,906 | 4,095 | Total hydrocarbons (mboe/d) (b) | 3,997 | 3,606 |
| ===== | | | | | |
| Average realizations | | | | | |
| 28.18 | 39.43 | 41.01 | Crude oil (\$/bbl) | 36.45 | 28.23 |
| 20.15 | 28.77 | 31.20 | Natural gas liquids (\$/bbl) | 26.75 | 19.26 |
| 27.30 | 38.29 | 39.88 | Total liquids (\$/bbl) | 35.39 | 27.25 |
| 3.18 | 3.66 | 4.28 | Natural gas (\$/mcf) | 3.86 | 3.39 |
| 23.15 | 30.08 | 32.64 | Total hydrocarbons (\$/bbl) | 29.20 | 23.69 |
| ===== | | | | | |
| Average oil marker prices | | | | | |
| (\$/bbl) | | | | | |
| 29.43 | 41.54 | 43.85 | Brent | 38.27 | 28.83 |
| 31.15 | 43.88 | 48.29 | West Texas Intermediate | 41.49 | 31.06 |
| 29.43 | 41.82 | 42.62 | Alaska North Slope US West Coast | 38.96 | 29.59 |
| ===== | | | | | |
| Average natural gas marker prices | | | | | |
| 4.58 | 5.75 | 7.07 | Henry Hub gas price (\$/mmbtu) (c) | 6.13 | 5.37 |
| | | | | | |
| UK Gas - National | | | | | |
| 27.30 | 23.63 | 28.51 | Balancing Point (p/therm) | 24.39 | 20.28 |
| ===== | | | | | |

(a) Crude oil and natural gas liquids.

(b) Natural gas is converted to oil equivalent at 5.8 billion cubic feet = 1 million barrels.

(c) Henry Hub First of the Month Index.

Exploration and Production

The pro forma replacement cost result before interest and tax for the fourth quarter was \$5,489 million, a record result, up 68% from the fourth quarter of 2003. The primary drivers for the change are the higher realizations in both liquids and gas and increased volumes partly offset by the impact of the weaker US dollar and higher costs. This quarter benefited from an exceptional gain of \$32 million. The corresponding quarter in 2003 contained exceptional losses of \$49 million.

Included in the results for the quarter was a net non-operating charge totalling \$109 million. This charge primarily results from impairments of fields in the deepwater Gulf of Mexico and US Onshore.

The fourth quarter result also includes a credit of \$57 million, reflecting a decrease in the provision for Unrealized Profit in Stock (UPIS), which removes the upstream margin from downstream inventories. This compares with a charge of \$57 million in the equivalent quarter of last year.

The full year result of \$19,759 million is a record, up \$3,527 million on a year ago, reflecting the higher realizations combined with increased volumes.

Production for the quarter was up over 4% to 4,095 mboe/d compared with a year ago. This reflects the continuing ramp-up of production in the New Profit

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Centres and increased volumes from TNK-BP. This is partly offset by decline in our Existing Profit Centres. Total production for the year was 3,997 mboe/d, an increase of more than 10% over the prior year. Our expectation for 2005, based on our \$20/bbl planning basis, is that production will be between 4.1 and 4.2 million barrels of oil equivalent per day before any acquisitions or divestments.

Projects in the New Profit Centres remain on track. In the Gulf of Mexico, the Holstein and Mad Dog projects achieved first production in December 2004 and January 2005 respectively. In Indonesia, we approved our share of the investment in the Tangguh gas project and in Angola we approved the Rosa project. In Azerbaijan, construction of the Azeri project and the BTC pipeline is on track.

In the UK, construction of the Clair platform has been completed and the project is on track to commence production in the first quarter of 2005.

In the fourth quarter we had further exploration success in Trinidad with the Chachalaca well.

BP's proved reserve replacement ratio, on a UK GAAP/SORP basis, was 106% in respect of subsidiaries, 118% for equity-accounted entities and 110% on a combined basis. The proved reserve replacement has exceeded production for the twelfth consecutive year.

BP has also calculated its reserve replacement ratio on a US GAAP/SEC basis which requires the use of year-end prices. On this basis, the proved reserve replacement ratio for subsidiaries was 78%, for equity-accounted entities was 114% and was 89% on a combined basis. The lower US GAAP/SEC replacement ratio for subsidiaries was primarily a result of the impact of higher 2004 year-end prices versus our planning prices on reserves in production sharing contracts (PSCs). In fields subject to PSCs our reserves entitlement is based on volumes required to recover agreed costs and an agreed percentage of the remaining volumes. Applying higher year end prices to reserves in PSCs has the effect of decreasing the volume required to recover the agreed costs. These effects considerably outweigh any increases in tax and royalty regimes arising from fields having a longer economic life.

All our proved reserve replacement ratios represent bookings through discoveries, extensions, revisions and improved recovery and exclude the impact of acquisitions and divestments.

During the quarter we completed our divestments of certain properties in the Gulf of Mexico and the North Sea and in Australia we sold 5.3% of our reserves in the North West Shelf to the China National Offshore Oil Company, resulting in total exceptional gains in the quarter of \$32 million.

Customer Facing Segments Refining and Marketing

| 4Q 2003 | 3Q 2004 | 4Q 2004 | \$ million | Year | |
|------------|------------|------------|---|-------|-------|
| | | | | 2004 | 2003 |
| | | | | | |
| 320 | 1,081 | 1,577 | Replacement cost profit before interest and tax | 4,722 | 2,318 |
| 211 | 220 | 222 | Acquisition amortization | 881 | 826 |
| | | | | | |
| 531 | 1,301 | 1,799 | Pro forma replacement cost result before interest and tax | 5,603 | 3,144 |
| | | | | | |

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| | | | | | |
|--------|--------|-------|-------------------------------------|--------|--------|
| | | | Results include: | | |
| - | - | - | Asset write-downs/impairment | - | - |
| - | (206) | - | Environmental and other provisions | (206) | (369) |
| (156) | - | - | Restructuring, integration and | | |
| 10 | - | - | rationalization costs | - | (287) |
| | | | Other | - | 10 |
| ----- | | | | | |
| (146) | (206) | - | Total non-operating items | (206) | (646) |
| (91) | (17) | 58 | Exceptional items | (117) | (213) |
| ===== | | | | | |
| (237) | (223) | 58 | Total non-operating and | (323) | (859) |
| ===== | | | | | |
| | | | Refinery throughputs (mb/d) | | |
| 389 | 410 | 420 | UK | 407 | 397 |
| 873 | 882 | 781 | Rest of Europe | 854 | 932 |
| 1,374 | 1,417 | 1,436 | USA | 1,373 | 1,386 |
| 378 | 296 | 296 | Rest of World | 342 | 382 |
| ----- | | | | | |
| 3,014 | 3,005 | 2,933 | Total throughput | 2,976 | 3,097 |
| ===== | | | | | |
| 94.9 | 94.9 | 96.6 | Refining availability | 95.4 | 95.5 |
| ===== | | | | | |
| | | | Oil sales volumes (kb/d) | | |
| | | | Refined products | | |
| 257 | 334 | 335 | UK | 322 | 271 |
| 1,290 | 1,406 | 1,363 | Rest of Europe | 1,360 | 1,311 |
| 1,761 | 1,696 | 1,664 | USA | 1,682 | 1,767 |
| 658 | 621 | 627 | Rest of World | 638 | 620 |
| ----- | | | | | |
| 3,966 | 4,057 | 3,989 | Total marketing sales | 4,002 | 3,969 |
| 2,609 | 2,627 | 2,194 | Trading/supply sales | 2,396 | 2,719 |
| ----- | | | | | |
| 6,575 | 6,684 | 6,183 | Total refined product sales | 6,398 | 6,688 |
| 3,985 | 3,679 | 3,731 | Crude oil | 3,808 | 3,837 |
| ----- | | | | | |
| 10,560 | 10,363 | 9,914 | Total oil sales | 10,206 | 10,525 |
| ===== | | | | | |
| | | | Global Indicator Refining Margin(a) | | |
| | | | (\$/bbl) | | |
| 2.21 | 4.37 | 4.72 | NWE | 4.28 | 2.62 |
| 3.53 | 6.99 | 5.52 | USGC | 7.15 | 4.71 |
| 2.89 | 5.01 | 1.65 | Midwest | 5.08 | 4.54 |
| 6.09 | 11.28 | 10.36 | USWC | 11.27 | 7.06 |
| 2.20 | 5.48 | 8.02 | Singapore | 4.94 | 1.77 |
| 3.14 | 6.20 | 5.60 | BP Average | 6.08 | 3.88 |
| ===== | | | | | |

(a) The Global Indicator Refining Margin (GIM) is the average of six regional indicator margins weighted for BP's crude refining capacity in each region. Each regional indicator margin is based on a single representative crude with product yields characteristic of the typical level of upgrading complexity. The regional indicator margins may not be representative of the margins achieved by BP in any period because of BP's particular refinery configurations and crude and product slate.

Customer Facing Segments Refining and Marketing

The pro forma replacement cost results before interest and tax for the fourth quarter and the year were records of \$1,799 million and \$5,603 million

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respectively, compared with \$531 million and \$3,144 million respectively for the equivalent periods in 2003.

The improvement in the fourth quarter compared with a year ago was driven primarily by significantly higher refining margins, higher marketing margins and an exceptional gain in the quarter compared with net non-operating and exceptional charges in the equivalent quarter of 2003. The improvement was offset partly by charges of \$310 million, related primarily to a review of carrying values of fixed and current marketing assets (this is not classified as a non-operating item). The year-on-year increase in BP's realized refining margins in the quarter was higher than that suggested by the increase in the Global Indicator Margin due to the combination of wider light/heavy spreads, higher clean fuels premia, locational advantages and greater supply optimization benefits. Marketing margins were stronger than in the equivalent period in 2003 assisted by the fall in crude and product prices late in the quarter. The exceptional gain related primarily to the Cushing to Chicago Pipeline disposal in the US.

The improvement in the result for the year compared with a year ago was attributable to stronger refining margins due to the factors outlined above and lower net non-operating and exceptional charges of \$323 million compared with \$859 million a year ago. The improvement was offset by significantly lower marketing margins, despite the improvement in the fourth quarter, the impact of the weaker US dollar and the charges in 2004 related primarily to a review of carrying values of fixed and current marketing assets.

Refining throughputs for the quarter were 2,933 mb/d, some 81 mb/d lower than in the fourth quarter of 2003, due principally to the disposal of BP's interests in the Singapore Refining Company Private Limited and the closure of refining operations at the ATAS Refinery in Mersin, south eastern Turkey earlier in 2004. The quarter's refining availability was 96.6%. Marketing sales in the fourth quarter were 3,989 kb/d, a similar level to the equivalent quarter a year ago.

During the quarter BP China and Sinopec announced the establishment of the BP-Sinopec (Zhejiang) Petroleum Co., Ltd, a retail joint venture between BP and Sinopec, to build, operate and manage a network of 500 service stations in Hangzhou, Ningbo and Shaoxing. Also during the quarter BP China and PetroChina announced the establishment of BP-PetroChina Petroleum Company Limited, to acquire, build, operate and manage 500 service stations in the province. BP continued its strategic progress in the development of premium offers. This included the opening of 101 new format Connect stores by the end of the quarter, bringing the total worldwide to 576. The group also continued its roll-out of new generation Ultimate gasoline and diesel fuels, now available in the UK, Germany, Austria, Spain, Portugal, Greece, France, Poland, Australia and the US.

From 1 January 2005, the Aromatics and Acetyls business will be included in the segment and the Lavera and Grangemouth refineries will be included in the Olefins and Derivatives business, which will be reported as part of Other businesses and corporate.

Customer Facing Segments Petrochemicals

| 4Q 2003 | 3Q 2004 | 4Q 2004 | \$ million | Year 2004 | Year 2003 |
|------------|------------|------------|--------------------------|--------------|--------------|
| ===== | | | | ===== | |
| | | | Replacement cost profit | | |
| 41 | 188 | (1,271) | before interest and tax | (900) | 568 |
| - | - | - | Acquisition amortization | - | - |

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| | | | | | |
|-------|-------|---------|--|---------|--------|
| | | | | | |
| ----- | | | Pro forma replacement cost result | ----- | |
| 41 | 188 | (1,271) | before interest and tax | (900) | 568 |
| ===== | | | | ===== | |
| | | | Results include: | | |
| - | - | (1,110) | Asset write-downs/impairment | (1,110) | - |
| - | (58) | - | Environmental and other provisions | (58) | (20) |
| | | | Restructuring, integration and | | |
| - | - | (39) | rationalization costs | (39) | 5 |
| - | - | - | Other | - | (36) |
| ----- | | | | ----- | |
| - | (58) | (1,149) | Total non-operating items | (1,207) | (51) |
| 16 | (38) | (377) | Exceptional items | (563) | 38 |
| ===== | | | | ===== | |
| | | | Total non-operating and | | |
| 16 | (96) | (1,526) | exceptional items | (1,770) | (13) |
| ===== | | | | ===== | |
| 109 | 138 | 166 | (b) Chemicals Indicator Margin (a) (\$/te) | 140 (b) | 112 |
| ===== | | | | ===== | |
| | | | Petrochemicals production (kte) | | |
| 832 | 728 | 904 | UK | 3,328 | 3,186 |
| 2,790 | 2,724 | 2,812 | Rest of Europe | 10,990 | 10,958 |
| 2,398 | 2,600 | 2,547 | USA | 10,204 | 9,797 |
| 1,133 | 1,097 | 1,101 | Rest of World | 4,405 | 4,002 |
| ----- | | | | ----- | |
| 7,153 | 7,149 | 7,364 | Total production | 28,927 | 27,943 |
| ===== | | | | ===== | |

(a) The Chemicals Indicator Margin (CIM) is a weighted average of externally-based product margins. It is based on market data collected by Nexant in their quarterly market analyses, then weighted based on BP's product portfolio. It does not cover our entire portfolio of products, and consequently is only indicative of the margins achieved by BP in any particular period.

(b) Provisional. The data for the fourth quarter is based on two months' actuals and one month of provisional data.

Petrochemicals' pro forma replacement cost results before interest and tax for the fourth quarter and year were a loss of \$1,271 million and \$900 million respectively, down by \$1,312 million and \$1,468 million respectively compared with the equivalent periods a year ago. The decreases were due to exceptional charges reflecting business exits and the closure of facilities, and non-operating charges in respect of asset impairments, together with higher fixed costs and adverse foreign exchange impacts. Partially offsetting these impacts were higher margins and volumes. The fourth quarter result was \$1,459 million lower than the third quarter due to higher exceptional and non-operating charges, higher fixed costs, including a number of non-routine charges, and adverse foreign exchange impacts, offset partially by higher margins and volumes.

Production for the fourth quarter and the year was a record, at 7,364 thousand tonnes and 28,927 thousand tonnes respectively, an increase of 3% and 4% respectively. Improved production was due to higher asset utilization and increased Asian PTA capacity during the year, with additional High Density Polyethylene capacity in the fourth quarter from the acquisition of the BP Solvay ventures.

During the quarter we have continued to implement plans to consolidate the Olefins and Derivatives business into a separate entity to operate as a stand-alone business within the BP Group and have announced that Grangemouth and

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Lavera refineries will be included in that entity. We have completed the acquisition of Solvay's interests in the BP Solvay High Density Polyethylene ventures and have reached agreement in principle with Nova Chemicals Corporation to combine our respective European Styrene Polymer interests within a joint venture. As part of restructuring efforts we also announced the closure of plants at Pasadena in Texas, and at Grangemouth and Hull in the UK.

| | | | Customer Facing Segments Gas, Power and Renewables | | |
|----------------------------|------------|------------|--|-------------------|--------|
| 4Q 2003 | 3Q 2004 | 4Q 2004 | \$ million | Year 2004 2003 | |
| ===== | | | | ===== | |
| 86 | 130 | 399 | Replacement cost profit before interest and tax | 943 | 570 |
| - | - | - | Acquisition amortization | - | - |
| ----- | | | | ----- | |
| 86 | 130 | 399 | Pro forma replacement cost result before interest and tax | 943 | 570 |
| ===== | | | | ===== | |
| Results include: | | | | | |
| - | - | - | Asset write-downs/impairment | - | - |
| - | - | - | Environmental and other provisions | - | - |
| - | - | - | Restructuring, integration and rationalization costs | - | - |
| - | - | - | Other | - | - |
| ----- | | | | ----- | |
| - | - | - | Total non-operating items | - | - |
| (10) | 16 | 40 | Exceptional items | 56 | (6) |
| ===== | | | | ===== | |
| (10) | 16 | 40 | Total non-operating and exceptional items | 56 | (6) |
| ===== | | | | ===== | |
| Gas sales volumes (mmcf/d) | | | | | |
| 5,956 | 4,463 | 3,456 | UK | 4,679 | 6,801 |
| 511 | 485 | 449 | Rest of Europe | 411 | 441 |
| 12,121 | 13,585 | 13,852 | USA | 13,384 | 11,528 |
| 13,138 | 13,250 | 13,659 | Rest of World | 13,216 | 11,669 |
| ----- | | | | ----- | |
| 31,726 | 31,783 | 31,416 | Total gas sales volumes | 31,690 | 30,439 |
| ===== | | | | ===== | |
| NGL sales volumes (mb/d) | | | | | |
| 2 | 9 | 11 | UK | 8 | 3 |
| - | 7 | 12 | Rest of Europe | 6 | - |
| 400 | 358 | 421 | USA | 393 | 329 |
| 234 | 161 | 240 | Rest of World | 203 | 205 |
| ----- | | | | ----- | |
| 636 | 535 | 684 | Total NGL sales volumes | 610 | 537 |
| ===== | | | | ===== | |

The pro forma replacement cost result before interest and tax for the fourth quarter was \$399 million compared with \$86 million a year ago. The improved result is due to a higher marketing and trading result, a higher contribution from the natural gas liquids and solar businesses and an exceptional gain from the disposal of BP's interest in an NGL plant in Canada.

The result for the year was \$943 million compared with \$570 million a year ago. The improvement is due principally to a higher contribution from the natural gas

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liquids and solar businesses and exceptional gains from the disposals of BP's interests in two NGL plants in Canada.

Other Businesses and Corporate

| 4Q 2003 | 3Q 2004 | 4Q 2004 | \$ million | Year | |
|------------|------------|------------|------------------------------------|-------|-------|
| | | | | 2004 | 2003 |
| ===== | | | | ===== | |
| | | | Replacement cost profit (loss) | | |
| 465 | (424) | (227) | before interest and tax | 314 | (184) |
| - | - | - | Acquisition amortization | - | - |
| ----- | | | | ----- | |
| 465 | (424) | (227) | Pro forma replacement cost result | 314 | (184) |
| ===== | | | | ===== | |
| | | | Results include: | | |
| - | - | (12) | Asset write-downs/impairment | (12) | - |
| (81) | (225) | - | Environmental and other provisions | (225) | (193) |
| - | (19) | (83) | Restructuring, integration and | | |
| | | | rationalization costs | (102) | - |
| 585 | - | 66 | Other | 66 | 585 |
| ----- | | | | ----- | |
| 504 | (244) | (29) | Total non-operating items | (273) | 392 |
| 119 | 1 | (26) | Exceptional items | 1,287 | 99 |
| ===== | | | | ===== | |
| 623 | (243) | (55) | Total non-operating | 1,014 | 491 |
| ===== | | | and exceptional items | ===== | |

Other businesses and corporate comprises Finance, the group's coal asset (divested in October 2003), the group's aluminium asset, its investments in PetroChina and Sinopec (divested in January 2004), interest income and costs relating to corporate activities. The fourth quarter result includes a net charge of \$55 million for non-operating charges and exceptional losses. This primarily comprises a charge in respect of the separation of the Olefins and Derivatives business partially offset by a credit primarily resulting from the reversal of vacant space provisions in the UK and the US. In the first quarter, BP sold its interest in PetroChina for \$1.65 billion and its interest in Sinopec for \$0.7 billion. These interests were previously included in Other businesses and corporate.

Dividends

| 4Q 2003 | 3Q 2004 | 4Q 2004 | | Year | |
|------------|------------|------------|------------------------------|--------|--------|
| | | | | 2004 | 2003 |
| ===== | | | | ===== | |
| | | | Dividends per ordinary share | | |
| 6.75 | 7.10 | 8.50 | cents | 29.45 | 26.00 |
| 3.674 | 3.910 | 4.522 | pence | 16.099 | 15.517 |
| 40.5 | 42.6 | 51.0 | Dividends per ADS (cents) | 176.70 | 156.0 |
| ----- | | | | ----- | |

BP today announced a fourth quarterly dividend for 2004 of 8.50 cents per

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ordinary share. Holders of ordinary shares will receive 4.522 pence per share and holders of American Depositary Receipts (ADRs) \$0.51 per ADS share. The dividend is payable on 14 March to shareholders on the register on 18 February. Participants in the Dividend Reinvestment Plan (DRIP) or the DRIP facility in the US Direct Access Plan will receive the dividend in the form of shares, also on 14 March. The first quarter 2005 results and dividend will be announced on 26 April 2005.

Outlook

BP Group Chief Executive, Lord Browne, concluded:

"World economic growth was sustained into the fourth quarter of 2004, completing a year of strong growth. The current outlook is for a moderation of global growth towards trend rates through 2005.

"Oil prices averaged a record high \$43.85 per barrel (Dated Brent) in the fourth quarter, more than \$2 per barrel higher than in the third quarter. The price peaked at over \$52 per barrel in the second half of October in face of the production disruptions caused by Hurricane Ivan. The Dated Brent price has averaged over \$44 per barrel during 2005 to date. However, despite a counter seasonal rise in inventories, prices are expected to remain supported at historically high levels by ongoing supply concerns and OPEC's decision to reduce above quota production from the start of January.

"US natural gas prices averaged a record \$7.07/mmbtu (Henry Hub first of month index) in the fourth quarter, up by over \$1/mmbtu versus the third quarter. Working gas inventories remain above year-earlier and 5-year average levels but the futures market continues to signal a supply-constrained market. The 12-month futures strip (NYMEX Henry Hub) is trading currently (4 February 2005) at just above \$6.50/mmbtu, above imputed fuel oil parity.

"Refining margins slipped 60c/bbl versus the third quarter to \$5.60/bbl but were still the highest fourth quarter margins for at least 15 years. Margins moderated further in early 2005, particularly for sweet crude refiners, but global average margins remain healthy by historic standards. Retail margins began the fourth quarter under pressure but improved as crude prices retreated. However, with oil prices rising again, retail margins have weakened early in the new year. Robust product demand, however, is likely to underpin both refining and retail margins in the near term. In Petrochemicals, industry utilization rates rose during the quarter, reflecting an improvement in overall market conditions. As a consequence, both sales volumes and margins strengthened for most products but notably for the paraxylene and olefins businesses. We expect a continuation of this effect in the near term.

"Our strategy is unchanged and our operations are on track with the plans laid out last year. We continue to focus on positioning the company for the future and on post tax cash flow, and shareholder distributions in the form of dividends and share buybacks. Capital expenditure, excluding acquisitions, for the year was \$14.4 billion. 2005 capital expenditure is expected to be around \$14 billion, in line with the guidance given with our third quarter results.

"We aim to continue with our distribution policy of a growing dividend and using excess cash flow to fund share buybacks. Total distributions in 2004 were \$13.7 billion, and the number of shares outstanding was reduced by 3%. BP's financial condition is very healthy with gearing at 24%, at the bottom of the target range. I believe all of this gives us a strong base for a sustainable future."

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The foregoing discussion, in particular the statements under "Outlook", contains forward looking statements particularly those regarding BP's asset portfolio and changes in it, capital expenditure, costs, demand, divestments, dividends, future performance, growth and other trend projections, impact of foreign exchange rates, maintenance, margins, petrochemicals sales volumes, prices, production, share buybacks, supply and the timing of projects and pending transactions. By their nature, forward looking statements involve risks and uncertainties and actual results may differ from those expressed in such statements depending on a variety of factors including the following: the timing of bringing new fields on stream; industry product supply; demand and pricing; currency exchange rates; operational problems; general economic conditions including inflationary pressures; political stability and economic growth in relevant areas of the world; changes in governmental regulations; exchange rate fluctuations; development and use of new technology and successful commercial relationships; the actions of competitors; natural disasters and other changes in business conditions; prolonged adverse weather conditions; wars and acts of terrorism or sabotage; and other factors discussed in this Announcement. For more information you should refer to our Annual Report and Accounts 2003 and our 2003 Annual Report on Form 20-F filed with the US Securities and Exchange Commission.

BP p.l.c. and Subsidiaries Summarized Group Results

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year 2004 | 2003 |
|---------------------------|--------------------------|---------------------------|---|--------------|--------|
| ===== | | | | ===== | |
| \$ million | | | | \$ million | |
| 2,848 | 4,883 | 5,093 | Exploration and Production | 18,520 | 14,666 |
| 320 | 1,081 | 1,577 | Refining and Marketing | 4,722 | 2,318 |
| 41 | 188 | (1,271) | Petrochemicals | (900) | 568 |
| 86 | 130 | 399 | Gas, Power and Renewables | 943 | 570 |
| 465 | (424) | (227) | Other businesses and corporate | 314 | (184) |
| ----- | | | | ----- | |
| | | | Replacement cost profit before interest and tax | 23,599 | 17,938 |
| 3,760 | 5,858 | 5,571 | | | |
| 84 | 1,027 | (494) | Stock holding gains (losses) (Note 5) | 1,643 | 16 |
| ----- | | | | ----- | |
| | | | Historical cost profit before interest and tax | 25,242 | 17,954 |
| 3,844 | 6,885 | 5,077 | | | |
| 160 | 156 | 189 | Interest expense (Note 6) | 642 | 644 |
| 152 | 79 | 126 | Other finance expense (Note 7) | 357 | 547 |
| ----- | | | | ----- | |
| 3,532 | 6,650 | 4,762 | Profit before taxation | 24,243 | 16,763 |
| 1,157 | 2,109 | 2,152 | Taxation (Note 8) | 8,282 | 6,111 |
| ----- | | | | ----- | |
| 2,375 | 4,541 | 2,610 | Profit after taxation | 15,961 | 10,652 |
| 41 | 58 | 76 | Minority shareholders' interest | 230 | 170 |
| ----- | | | | ----- | |
| 2,334 | 4,483 | 2,534 | Profit for the period | 15,731 | 10,482 |
| ----- | | | | ----- | |

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| | | | | | |
|--------------------------|---------|-------|-------------------------------------|---------|--------|
| 1,495 | 1,530 | 1,822 | | 6,371 | 5,753 |
| ===== | | | | | |
| | | | Distribution to shareholders | | |
| | | | | | |
| | | | Earnings per ordinary share - cents | | |
| 10.56 | 20.67 | 11.80 | Basic | 72.08 | 47.27 |
| 10.32 | 20.41 | 11.61 | Diluted | 70.79 | 46.83 |
| ===== | | | | | |
| Replacement Cost Results | | | | | |
| | | | Historical cost profit | | |
| 2,334 | 4,483 | 2,534 | for the period | 15,731 | 10,482 |
| | | | Stock holding (gains) losses | | |
| | | | net of minority shareholders' | | |
| (84) | (1,027) | 494 | interest | (1,643) | (16) |
| ----- | | | | | |
| | | | Replacement cost profit | | |
| 2,250 | 3,456 | 3,028 | for the period | 14,088 | 10,466 |
| ----- | | | | | |
| | | | Earnings per ordinary share - cents | | |
| | | | On replacement cost profit | | |
| 10.18 | 15.96 | 14.03 | for the period | 64.55 | 47.20 |
| ===== | | | | | |

Summarized Group Balance Sheet

| | 31 December 2004 | 31 December 2003 |
|---|---------------------|---------------------|
| ===== | | |
| \$ million | | |
| Fixed assets | | |
| Intangible assets | 12,076 | 13,642 |
| Tangible assets | 96,748 | 91,911 |
| Investments | 18,406 | 17,458 |
| | ----- | ----- |
| | 127,230 | 123,011 |
| | ----- | ----- |
| Current assets | | |
| Stocks | 15,698 | 11,617 |
| Debtors | 46,696 | 33,902 |
| Investments | 328 | 185 |
| Cash at bank and in hand | 1,156 | 1,947 |
| | ----- | ----- |
| | 63,878 | 47,651 |
| Creditors - amounts falling due within one year | | |
| Finance debt | 10,184 | 9,456 |
| Other creditors | 54,341 | 41,128 |
| | ----- | ----- |
| Net current assets (liabilities) | (647) | (2,933) |
| | ----- | ----- |
| Total assets less current liabilities | 126,583 | 120,078 |
| Creditors - amounts falling due after more than one year | | |
| Finance debt | 12,907 | 12,869 |
| Other creditors | 4,505 | 6,030 |
| | ----- | ----- |
| Provisions for liabilities and charges | | |
| Deferred taxation | 15,050 | 14,371 |
| Other provisions | 9,608 | 8,599 |
| | ----- | ----- |
| Net assets excluding pensions and other | | |

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| | | |
|---|---------|---------|
| post-retirement benefit balances | 84,513 | 78,209 |
| Defined benefit pension plan surplus | 1,475 | 1,146 |
| Defined benefit pension plan deficits | (5,863) | (5,005) |
| Other post-retirement benefit plan deficits | (2,126) | (2,630) |
| | ----- | ----- |
| Net assets | 77,999 | 71,720 |
| Minority shareholders' interest - equity | 1,343 | 1,125 |
| | ----- | ----- |
| BP shareholders' interest | 76,656 | 70,595 |
| | ===== | ===== |

| | | |
|--|--|------------|
| Movement in BP shareholders' interest: | | \$ million |
| At 31 December 2003 | | 75,938 |
| Prior year adjustment - change in accounting policy (see Note 1) | | (5,343) |
| | | ----- |
| As restated | | 70,595 |
| Profit for the period | | 15,731 |
| Distribution to shareholders | | (6,371) |
| Currency translation differences (net of tax) | | 2,136 |
| Actuarial gain (loss) on pension and other post-retirement benefit plans (net of tax) | | 203 |
| Unrealised gain on acquisition of further investment in equity-accounted investments | | 94 |
| Issue of ordinary share capital for employee share schemes | | 487 |
| Issue of ordinary share capital for TNK-BP | | 1,250 |
| Net release of shares by ESOP trusts | | 21 |
| Net movement in LTPP provision | | 58 |
| Repurchase of ordinary share capital | | (7,548) |
| | | ----- |
| At 31 December 2004 | | 76,656 |
| | | ===== |

Summarized Group Cash Flow Statement

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | | |
|---------------------------|--------------------------|---------------------------|--|------------|---------|
| ===== | | | | Year | |
| \$ million | | | | 2004 | 2003 |
| ===== | | | | ===== | |
| \$ million | | | | \$ million | |
| 3,500 | 6,919 | 7,044 | Net cash inflow from operating activities (a) | 28,554 | 21,698 |
| | | | | ----- | ----- |
| 51 | 1,061 | 662 | Dividends from joint ventures | 1,908 | 131 |
| | | | | ----- | ----- |
| 120 | 69 | 94 | Dividends from associated undertakings | 291 | 417 |
| | | | | ----- | ----- |
| | | | Servicing of finance and returns on investments | | |
| 51 | 50 | 196 | Interest received | 332 | 175 |
| (190) | (152) | (223) | Interest paid | (694) | (1,006) |
| 66 | 6 | 17 | Dividends received | 53 | 140 |
| (3) | (15) | (8) | Dividends paid to minority shareholders | (33) | (20) |
| | | | | ----- | ----- |
| | | | Net cash outflow from servicing of | | |

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| | | | | | |
|--|---------|---------|---|----------|----------|
| (76) | (111) | (18) | finance and returns on investments | (342) | (711) |
| ----- | | | | | |
| Taxation | | | | | |
| (329) | (299) | (438) | UK corporation tax | (1,447) | (1,185) |
| (1,187) | (1,489) | (1,953) | Overseas tax | (4,931) | (3,619) |
| ----- | | | | | |
| (1,516) | (1,788) | (2,391) | Tax paid | (6,378) | (4,804) |
| ----- | | | | | |
| Capital expenditure and financial investment | | | | | |
| (3,683) | (3,251) | (4,079) | Payments for fixed assets | (13,035) | (12,377) |
| 1,410 | 537 | 595 | Proceeds from the sale of fixed assets | 4,323 | 6,253 |
| ----- | | | | | |
| (2,273) | (2,714) | (3,484) | Net cash outflow for capital expenditure and financial investment | (8,712) | (6,124) |
| ----- | | | | | |
| Acquisitions and disposals | | | | | |
| (33) | - | (1,489) | Acquisitions, net of cash acquired | (1,503) | (211) |
| - | 37 | 383 | Proceeds from the sale of businesses | 725 | 179 |
| 274 | 23 | - | Net investment in TNK-BP joint venture | (1,250) | (2,351) |
| (162) | (75) | (84) | Net investment in other joint ventures | (272) | (178) |
| (227) | (171) | (190) | Investments in associated undertakings | (942) | (987) |
| ----- | | | | | |
| (148) | (186) | (1,380) | Net cash (outflow) inflow for acquisitions and disposals | (3,242) | (3,548) |
| ----- | | | | | |
| (1,438) | (1,536) | (1,535) | Equity dividends paid | (6,041) | (5,654) |
| ----- | | | | | |
| (1,780) | 1,714 | (1,008) | Net cash inflow (outflow) | 6,038 | 1,405 |
| ===== | | | | | |
| (2,354) | 1,617 | (593) | Financing (b) | 6,777 | 1,129 |
| (223) | 73 | 74 | Management of liquid resources | 132 | (41) |
| 797 | 24 | (489) | (Decrease) increase in cash | (871) | 317 |
| ----- | | | | | |
| (1,780) | 1,714 | (1,008) | | 6,038 | 1,405 |
| ===== | | | | | |

Analysis of Cash Flow

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year | |
|---|--------------------|---------------------|--|------------|--------|
| | | | | 2004 | 2003 |
| ===== | | | | ===== | |
| \$ million | | | | \$ million | |
| (a) Reconciliation of historical cost profit before interest and tax to net cash inflow from operating activities | | | | | |
| 3,844 | 6,885 | 5,077 | Historical cost profit before interest and tax | 25,242 | 17,954 |
| 3,093 | 2,648 | 4,383 | Depreciation and amounts provided | 12,583 | 10,940 |
| 129 | 34 | 151 | Exploration expenditure written off | 274 | 297 |
| Net operating charge for pensions and other post-retirement | | | | | |

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| | | | | | |
|------------------------------|---------|---------|---|----------|---------|
| (2,190) | 39 | (49) | benefits, less contributions | (67) | (2,913) |
| | | | Share of profits of joint ventures | | |
| (494) | (1,117) | (948) | and associated undertakings | (3,574) | (1,438) |
| (121) | (49) | (138) | Interest and other income | (325) | (341) |
| | | | (Profit) loss on sale of fixed | | |
| 15 | 15 | 273 | assets and businesses | (815) | (831) |
| 214 | 592 | (1) | Charge for provisions | 671 | 782 |
| (204) | (168) | (363) | Utilization of provisions | (781) | (716) |
| (362) | (2,573) | 143 | (Increase) decrease in stocks | (3,595) | (841) |
| 375 | (3,395) | (4,539) | (Increase) decrease in debtors | (10,920) | (3,042) |
| (799) | 4,008 | 3,055 | Increase (decrease) in creditors | 9,861 | 1,847 |
| ----- | | | | ----- | |
| 3,500 | 6,919 | 7,044 | Net cash inflow from operating activities | 28,554 | 21,698 |
| ===== | | | | ===== | |
| (b) Financing | | | | | |
| (1,666) | (717) | (900) | Long-term borrowing | (2,675) | (4,322) |
| 776 | 13 | 921 | Repayments of long-term borrowing | 2,204 | 3,560 |
| (1,738) | (338) | (2,730) | Short-term borrowing | (3,335) | (4,706) |
| | | | Repayments of short-term | | |
| 278 | 479 | 174 | borrowing | 3,375 | 4,708 |
| ----- | | | | ----- | |
| (2,350) | (563) | (2,535) | | (431) | (760) |
| | | | Issue of ordinary share capital | | |
| (61) | (157) | (108) | for employee share schemes | (487) | (173) |
| 57 | 87 | 1 | Purchase of shares by ESOP trusts | 147 | 63 |
| | | | Repurchase of ordinary | | |
| - | 2,250 | 2,049 | share capital | 7,548 | 1,999 |
| ----- | | | | ----- | |
| (2,354) | 1,617 | (593) | Net cash outflow (inflow) from financing | 6,777 | 1,129 |
| ===== | | | | ===== | |
| Adjusted Operating Cash Flow | | | | | |
| | | | Net cash inflow from operating | | |
| 3,500 | 6,919 | 7,044 | activities (a) | 28,554 | 21,698 |
| | | | Dividends received from | | |
| 51 | 1,061 | 662 | joint ventures | 1,908 | 131 |
| | | | Dividends received from | | |
| 120 | 69 | 94 | associated undertakings | 291 | 417 |
| | | | Net cash outflow from servicing | | |
| (76) | (111) | (18) | of finance and returns on | (342) | (711) |
| | | | investments | | |
| ----- | | | | ----- | |
| 3,595 | 7,938 | 7,782 | Adjusted operating cash | 30,411 | 21,535 |
| (1,600) | (1,821) | (2,521) | flow (pre-tax) | (6,639) | (4,681) |
| ----- | | | | ----- | |
| 1,995 | 6,117 | 5,261 | Adjusted operating cash | 23,772 | 16,854 |
| ----- | | | | ----- | |
| * Components of tax payments | | | | | |
| (1,600) | (1,821) | (2,521) | Tax paid on operations | (6,639) | (4,681) |
| | | | Tax refunded/(paid) on | | |
| 84 | 33 | 130 | exceptional items (b) | 261 | (123) |
| ----- | | | | ----- | |
| (1,516) | (1,788) | (2,391) | Total tax paid | (6,378) | (4,804) |
| ===== | | | | ===== | |

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- (a) Includes pre-tax discretionary pension funding of \$146 million in 4Q 2004 (\$99 million post-tax), \$395 million in the year 2004 (\$270 million post-tax), \$1,586 million in 4Q 2003 (\$1,046 million post-tax) and \$2,533 million in the year 2003 (\$1,646 million post-tax).
- (b) Deemed to be the tax credit (charge) on exceptional items in the income statement.

Capital Expenditure and Acquisitions

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | Year | |
|--------------------------------|--------------------------|---------------------------|------------|--------|
| \$ million | | | 2004 | 2003 |
| ===== | | | ===== | |
| \$ million | | | \$ million | |
| By business | | | | |
| Exploration and Production | | | | |
| 189 | 191 | 207 | 762 | 786 |
| 75 | 68 | 94 | 255 | 279 |
| 1,140 | 1,035 | 1,102 | 4,096 | 4,097 |
| 1,191 | 1,150 | 1,218 | 6,080 | 10,208 |
| ----- | | | ----- | |
| 2,595 | 2,444 | 2,621 | 11,193 | 15,370 |
| ----- | | | ----- | |
| Refining and Marketing | | | | |
| 249 | 100 | 222 | 481 | 477 |
| 446 | 159 | 321 | 745 | 783 |
| 623 | 291 | 465 | 1,344 | 1,509 |
| 181 | 59 | 293 | 444 | 311 |
| ----- | | | ----- | |
| 1,499 | 609 | 1,301 | 3,014 | 3,080 |
| ----- | | | ----- | |
| Petrochemicals | | | | |
| 35 | 66 | 186 | 294 | 116 |
| 69 | 69 | 926 | 1,086 | 137 |
| 130 | 72 | 508 | 695 | 291 |
| 65 | 25 | 90 | 214 | 231 |
| ----- | | | ----- | |
| 299 | 232 | 1,710 | 2,289 | 775 |
| ----- | | | ----- | |
| Gas, Power and Renewables | | | | |
| 21 | 6 | 154 | 166 | 69 |
| 46 | 2 | 12 | 19 | 76 |
| 49 | 14 | 42 | 81 | 160 |
| 27 | 43 | 122 | 272 | 136 |
| ----- | | | ----- | |
| 143 | 65 | 330 | 538 | 441 |
| ----- | | | ----- | |
| Other businesses and corporate | | | | |
| 29 | 51 | 63 | 129 | 108 |
| 1 | - | - | - | 2 |
| 43 | 11 | 52 | 85 | 234 |
| 1 | - | 1 | 1 | 2 |
| ----- | | | ----- | |
| 74 | 62 | 116 | 215 | 346 |
| ----- | | | ----- | |
| 4,610 | 3,412 | 6,078 | 17,249 | 20,012 |
| ===== | | | ===== | |
| By geographical area | | | | |
| 523 | 414 | 832 | 1,832 | 1,556 |

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| | | | | | | |
|--|-------|-------|-------|--------------------|--------|--------|
| | 637 | 298 | 1,353 | Rest of Europe (b) | 2,105 | 1,277 |
| | 1,985 | 1,423 | 2,169 | USA (b) | 6,301 | 6,291 |
| | 1,465 | 1,277 | 1,724 | Rest of World (a) | 7,011 | 10,888 |
| | | | | | | |
| | 4,610 | 3,412 | 6,078 | | 17,249 | 20,012 |
| | | | | | | |

- (a) Year 2004 included \$1,354 million investment in TNK's interest in Slavneft within TNK-BP. Year 2003 included the investment in the TNK-BP joint venture.
- (b) Fourth quarter and year 2004 included \$1,355 million for the acquisition of Solvay's interests in BP Solvay Polyethylene Europe and BP Solvay Polyethylene North America.

| | | | | | | |
|---------------------------------|------|------|------|------------------------------------|------|------|
| Exchange rates | | | | | | |
| US dollar/sterling average rate | | | | | | |
| | 1.70 | 1.82 | 1.86 | for the period | 1.83 | 1.63 |
| | 1.78 | 1.80 | 1.92 | US dollar/sterling period-end rate | 1.92 | 1.78 |
| US dollar/euro average rate | | | | | | |
| | 1.19 | 1.22 | 1.29 | for the period | 1.24 | 1.13 |
| | 1.25 | 1.23 | 1.36 | US dollar/euro period-end rate | 1.36 | 1.25 |
| | | | | | | |

Analysis of Replacement Cost Profit Before Interest and Tax

| | Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year 2004 | Year 2003 |
|----------------------------|---------------------------|--------------------------|---------------------------|----------------|--------------|--------------|
| | \$ million | | | | \$ million | |
| By business | | | | | | |
| Exploration and Production | | | | | | |
| | 654 | 745 | 981 | UK | 3,384 | 3,397 |
| | 154 | 246 | 222 | Rest of Europe | 837 | 587 |
| | 716 | 1,566 | 1,531 | USA | 6,094 | 5,100 |
| | 1,324 | 2,326 | 2,359 | Rest of World | 8,205 | 5,582 |
| | | | | | | |
| | 2,848 | 4,883 | 5,093 | | 18,520 | 14,666 |
| | | | | | | |
| Refining and Marketing | | | | | | |
| | (152) | (152) | 101 | UK | (435) | (472) |
| | 158 | 533 | 593 | Rest of Europe | 1,859 | 1,373 |
| | 174 | 536 | 661 | USA | 2,478 | 748 |
| | 140 | 164 | 222 | Rest of World | 820 | 669 |
| | | | | | | |
| | 320 | 1,081 | 1,577 | | 4,722 | 2,318 |
| | | | | | | |
| Petrochemicals | | | | | | |
| | (65) | (107) | (716) | UK | (1,041) | (325) |
| | 34 | 130 | (282) | Rest of Europe | 185 | 476 |
| | 6 | 30 | (215) | USA | (291) | 205 |
| | 66 | 135 | (58) | Rest of World | 247 | 212 |
| | | | | | | |
| | 41 | 188 | (1,271) | | (900) | 568 |
| | | | | | | |
| Gas, Power and Renewables | | | | | | |

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| | | | | | |
|---|-------|-------|----------------|--------|--------|
| 40 | (46) | 133 | UK | 97 | 76 |
| (11) | (9) | (4) | Rest of Europe | (27) | (37) |
| 5 | 139 | 90 | USA | 422 | 266 |
| 52 | 46 | 180 | Rest of World | 451 | 265 |
| ----- | | | | ----- | |
| 86 | 130 | 399 | | 943 | 570 |
| ----- | | | | ----- | |
| Other businesses and corporate | | | | | |
| 324 | (147) | 282 | UK | (78) | (26) |
| (42) | 21 | (177) | Rest of Europe | (163) | (49) |
| (23) | (268) | (251) | USA | (658) | (384) |
| 206 | (30) | (81) | Rest of World | 1,213 | 275 |
| ----- | | | | ----- | |
| 465 | (424) | (227) | | 314 | (184) |
| ----- | | | | ----- | |
| 3,760 | 5,858 | 5,571 | | 23,599 | 17,938 |
| ===== | | | | ===== | |
| By geographical area | | | | | |
| 801 | 293 | 781 | UK | 1,927 | 2,650 |
| 293 | 921 | 352 | Rest of Europe | 2,691 | 2,350 |
| 878 | 2,003 | 1,816 | USA | 8,045 | 5,935 |
| 1,788 | 2,641 | 2,622 | Rest of World | 10,936 | 7,003 |
| ----- | | | | ----- | |
| 3,760 | 5,858 | 5,571 | | 23,599 | 17,938 |
| ===== | | | | ===== | |
| Included above: | | | | | |
| Share of profits of joint ventures | | | | | |
| 402 | 942 | 772 | | 2,933 | 923 |
| Share of profits of associated undertakings | | | | | |
| 93 | 165 | 169 | | 605 | 511 |
| ----- | | | | ----- | |
| 495 | 1,107 | 941 | | 3,538 | 1,434 |
| ===== | | | | ===== | |

Pro Forma Result: Replacement Cost Profit Before
Interest and Tax Adjusted for Acquisition Amortization

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year | |
|----------------------------|-----------------------|------------------------|----------------|------------|--------|
| ===== | | | | 2004 | 2003 |
| \$ million | | | | ===== | |
| | | | | \$ million | |
| By business | | | | | |
| Exploration and Production | | | | | |
| 689 | 775 | 1,014 | UK | 3,514 | 3,531 |
| 154 | 246 | 222 | Rest of Europe | 837 | 587 |
| 1,091 | 1,785 | 1,883 | USA | 7,089 | 6,231 |
| 1,340 | 2,338 | 2,370 | Rest of World | 8,319 | 5,883 |
| ----- | | | | ----- | |
| 3,274 | 5,144 | 5,489 | | 19,759 | 16,232 |
| ----- | | | | ----- | |
| Refining and Marketing | | | | | |
| (36) | (27) | 228 | UK | 66 | (26) |
| 158 | 533 | 593 | Rest of Europe | 1,859 | 1,373 |
| 269 | 631 | 756 | USA | 2,858 | 1,128 |
| 140 | 164 | 222 | Rest of World | 820 | 669 |
| ----- | | | | ----- | |
| 531 | 1,301 | 1,799 | | 5,603 | 3,144 |
| ----- | | | | ----- | |
| Petrochemicals | | | | | |
| (65) | (107) | (716) | UK | (1,041) | (325) |
| 34 | 130 | (282) | Rest of Europe | 185 | 476 |

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| | | | | | |
|--------------------------------|-------|---------|----------------|--------|--------|
| 6 | 30 | (215) | USA | (291) | 205 |
| 66 | 135 | (58) | Rest of World | 247 | 212 |
| <hr/> | | | | | |
| 41 | 188 | (1,271) | | (900) | 568 |
| <hr/> | | | | | |
| Gas, Power and Renewables | | | | | |
| 40 | (46) | 133 | UK | 97 | 76 |
| (11) | (9) | (4) | Rest of Europe | (27) | (37) |
| 5 | 139 | 90 | USA | 422 | 266 |
| 52 | 46 | 180 | Rest of World | 451 | 265 |
| <hr/> | | | | | |
| 86 | 130 | 399 | | 943 | 570 |
| <hr/> | | | | | |
| Other businesses and corporate | | | | | |
| 324 | (147) | 282 | UK | (78) | (26) |
| (42) | 21 | (177) | Rest of Europe | (163) | (49) |
| (23) | (268) | (251) | USA | (658) | (384) |
| 206 | (30) | (81) | Rest of World | 1,213 | 275 |
| <hr/> | | | | | |
| 465 | (424) | (227) | | 314 | (184) |
| <hr/> | | | | | |
| 4,397 | 6,339 | 6,189 | | 25,719 | 20,330 |
| <hr/> | | | | | |
| By geographical area | | | | | |
| 952 | 448 | 941 | UK | 2,558 | 3,230 |
| 293 | 921 | 352 | Rest of Europe | 2,691 | 2,350 |
| 1,348 | 2,317 | 2,263 | USA | 9,420 | 7,446 |
| 1,804 | 2,653 | 2,633 | Rest of World | 11,050 | 7,304 |
| <hr/> | | | | | |
| 4,397 | 6,339 | 6,189 | | 25,719 | 20,330 |
| <hr/> | | | | | |

Analysis of Exceptional Items

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year 2004 2003 | |
|----------------------------|--------------------------|---------------------------|----------------|-------------------|-------|
| \$ million | | | | \$ million | |
| <hr/> | | | | | |
| Exploration and Production | | | | | |
| 11 | (3) | (15) | UK | (21) | 735 |
| 1 | (1) | - | Rest of Europe | (1) | (30) |
| 20 | 13 | (6) | USA | 31 | (230) |
| (81) | 14 | 53 | Rest of World | 143 | 438 |
| <hr/> | | | | | |
| (49) | 23 | 32 | | 152 | 913 |
| <hr/> | | | | | |
| Refining and Marketing | | | | | |
| (12) | (16) | 9 | UK | (101) | (44) |
| (47) | (25) | (28) | Rest of Europe | (70) | (109) |
| (32) | 16 | 95 | USA | 113 | (61) |
| - | 8 | (18) | Rest of World | (59) | 1 |
| <hr/> | | | | | |
| (91) | (17) | 58 | | (117) | (213) |
| <hr/> | | | | | |
| Petrochemicals | | | | | |
| (1) | 10 | (201) | UK | (195) | 2 |
| (10) | (56) | (13) | Rest of Europe | (15) | (11) |
| (5) | (3) | (150) | USA | (349) | 11 |
| 32 | 11 | (13) | Rest of World | (4) | 36 |
| <hr/> | | | | | |

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| | | | | | |
|-------|------|-------|---|-------|-------|
| 16 | (38) | (377) | | (563) | 38 |
| ----- | | | | | |
| - | - | - | Gas, Power and Renewables | - | - |
| - | - | (1) | UK | (1) | - |
| (10) | - | 1 | Rest of Europe | 1 | (6) |
| - | 16 | 40 | USA | 56 | - |
| - | - | - | Rest of World | - | - |
| ----- | | | | | |
| (10) | 16 | 40 | | 56 | (6) |
| ----- | | | | | |
| 27 | 1 | (27) | Other businesses and corporate | (26) | 24 |
| - | 1 | - | UK | - | (1) |
| (45) | (1) | - | Rest of Europe | (1) | (61) |
| 137 | - | 1 | USA | 1,314 | 137 |
| - | - | - | Rest of World | - | - |
| ----- | | | | | |
| 119 | 1 | (26) | | 1,287 | 99 |
| ----- | | | | | |
| | | | Profit (loss) on sale of fixed assets and businesses or termination of operations | 815 | 831 |
| (15) | (15) | (273) | | 261 | (123) |
| 84 | 33 | 130 | Taxation credit (charge) | - | - |
| ----- | | | | | |
| 69 | 18 | (143) | Exceptional items after taxation | 1,076 | 708 |
| ===== | | | | | |

Identified Non-operating Items and UPIS

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year 2004 2003 | |
|---------------------------|--------------------------|---------------------------|----------------------------|-------------------|-------|
| ===== | | | | ===== | |
| \$ million | | | | \$ million | |
| | | | Exploration and Production | | |
| (144) | - | - | UK | - | (209) |
| - | - | - | Rest of Europe | - | - |
| (236) | (77) | (54) | USA (a) | (444) | (321) |
| - | (60) | 2 | Rest of World | (181) | (5) |
| ----- | | | | | |
| (380) | (137) | (52) | | (625) | (535) |
| ----- | | | | | |
| | | | Refining and Marketing | | |
| - | (9) | - | UK | (9) | - |
| (146) | (20) | - | Rest of Europe | (20) | (277) |
| - | (159) | - | USA | (159) | (369) |
| - | (18) | - | Rest of World | (18) | - |
| ----- | | | | | |
| (146) | (206) | - | | (206) | (646) |
| ----- | | | | | |
| | | | Petrochemicals | | |
| - | (34) | (438) | UK | (472) | (36) |
| - | - | (420) | Rest of Europe | (420) | - |
| - | (24) | (177) | USA | (201) | (15) |
| - | - | (114) | Rest of World | (114) | - |
| ----- | | | | | |
| - | (58) | (1,149) | | (1,207) | (51) |
| ----- | | | | | |
| | | | Gas, Power and Renewables | | |

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| | | | | | |
|-------|-------|---------|--------------------------------|---------|-------|
| - | - | - | UK | - | - |
| - | - | - | Rest of Europe | - | - |
| - | - | - | USA | - | - |
| - | - | - | Rest of World | - | - |
| ----- | | | | | |
| - | - | - | | - | - |
| ----- | | | | | |
| | | | Other businesses and corporate | | |
| (74) | (21) | (59) | UK | (80) | (74) |
| - | - | - | Rest of Europe | - | - |
| 578 | (223) | 30 | USA | (193) | 466 |
| - | - | - | Rest of World | - | - |
| ----- | | | | | |
| 504 | (244) | (29) | | (273) | 392 |
| ----- | | | | | |
| (22) | (645) | (1,230) | Total before taxation | (2,311) | (840) |
| 157 | 226 | 246 | Taxation credit (charge) | 626 | 572 |
| ----- | | | | | |
| 135 | (419) | (984) | Total after taxation | (1,685) | (268) |
| ===== | | | | | |

- (a) Includes a credit for Unrealized Profit in Stock (UPIS) of \$57 million in 4Q 2004 and a charge of \$191 million for the year 2004 and charges of \$57 million in 4Q 2003 and \$61 million in the year 2003, which removes the upstream margin from downstream inventories.

Acquisition Amortization by Business

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year | |
|---------------------------|--------------------------|---------------------------|--------------------------------|------------|-------|
| | | | | 2004 | 2003 |
| ===== | | | | ===== | |
| \$ million | | | | \$ million | |
| | | | Exploration and Production | | |
| 35 | 30 | 33 | UK | 130 | 134 |
| 375 | 219 | 352 | USA | 995 | 1,131 |
| 16 | 12 | 11 | Rest of World | 114 | 301 |
| ----- | | | | | |
| 426 | 261 | 396 | | 1,239 | 1,566 |
| ----- | | | | | |
| | | | Refining and Marketing | | |
| 116 | 125 | 127 | UK | 501 | 446 |
| 95 | 95 | 95 | USA | 380 | 380 |
| ----- | | | | | |
| 211 | 220 | 222 | | 881 | 826 |
| ----- | | | | | |
| 637 | 481 | 618 | Total acquisition amortization | 2,120 | 2,392 |
| ===== | | | | | |

Production and Realizations

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year | |
|---------------------------|--------------------------|---------------------------|--|-------|------|
| | | | | 2004 | 2003 |
| ===== | | | | ===== | |

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| | | | Production | |
|-------|-------|-------|---|-------------|
| | | | Crude oil (mb/d) (net of royalties) | |
| 339 | 281 | 301 | UK | 312 354 |
| 74 | 68 | 70 | Rest of Europe | 73 79 |
| 570 | 495 | 519 | USA | 530 576 |
| 1,265 | 1,454 | 1,506 | Rest of World | 1,425 902 |
| <hr/> | | | <hr/> | |
| 2,248 | 2,298 | 2,396 | Total crude oil production | 2,340 1,911 |
| <hr/> | | | <hr/> | |
| | | | Natural gas liquids (mb/d) (net of royalties) | |
| 21 | 13 | 19 | UK | 18 23 |
| 5 | 3 | 4 | Rest of Europe | 4 5 |
| 147 | 134 | 142 | USA | 138 150 |
| 33 | 31 | 32 | Rest of World | 31 32 |
| <hr/> | | | <hr/> | |
| 206 | 181 | 197 | Total natural gas liquids production | 191 210 |
| <hr/> | | | <hr/> | |
| | | | Liquids (a) (mb/d) (net of royalties) | |
| 360 | 294 | 320 | UK | 330 377 |
| 79 | 71 | 74 | Rest of Europe | 77 84 |
| 717 | 629 | 661 | USA | 668 726 |
| 1,298 | 1,485 | 1,538 | Rest of World | 1,456 934 |
| <hr/> | | | <hr/> | |
| 2,454 | 2,479 | 2,593 | Total liquids production | 2,531 2,121 |
| <hr/> | | | <hr/> | |
| | | | Natural gas (b) (mmcf/d) (net of royalties) | |
| 1,318 | 903 | 1,227 | UK | 1,174 1,446 |
| 143 | 110 | 113 | Rest of Europe | 125 119 |
| 2,933 | 2,685 | 2,651 | USA | 2,748 3,128 |
| 4,206 | 4,577 | 4,723 | Rest of World | 4,456 3,920 |
| <hr/> | | | <hr/> | |
| 8,600 | 8,275 | 8,714 | Total natural gas production | 8,503 8,613 |
| <hr/> | | | <hr/> | |
| | | | Average realizations | |
| | | | Crude oil (\$/bbl) | |
| 28.18 | 40.33 | 42.01 | UK | 36.11 28.30 |
| 28.49 | 39.52 | 42.07 | USA | 37.40 29.02 |
| 27.56 | 38.01 | 38.29 | Rest of World | 34.99 26.91 |
| 28.18 | 39.43 | 41.01 | BP Average | 36.45 28.23 |
| <hr/> | | | <hr/> | |
| | | | Natural gas liquids (\$/bbl) | |
| 20.06 | 34.29 | 40.23 | UK | 31.79 20.08 |
| 19.11 | 27.59 | 29.31 | USA | 25.67 18.39 |
| 24.23 | 30.63 | 33.10 | Rest of World | 27.76 22.31 |
| 20.15 | 28.77 | 31.20 | BP Average | 26.75 19.26 |
| <hr/> | | | <hr/> | |
| | | | Liquids (a) (\$/bbl) | |
| 27.71 | 40.06 | 41.91 | UK | 35.87 27.80 |
| 26.92 | 37.46 | 39.73 | USA | 35.41 27.23 |
| 27.33 | 37.53 | 37.94 | Rest of World | 34.51 26.60 |
| 27.30 | 38.29 | 39.88 | BP Average | 35.39 27.25 |
| <hr/> | | | <hr/> | |
| | | | Natural gas (\$/mcf) | |
| 3.87 | 3.60 | 5.16 | UK | 4.32 3.19 |
| 3.85 | 4.94 | 5.72 | USA | 5.11 4.47 |
| 2.35 | 2.71 | 3.00 | Rest of World | 2.74 2.47 |
| 3.18 | 3.66 | 4.28 | BP Average | 3.86 3.39 |
| <hr/> | | | <hr/> | |

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- (a) Crude oil and natural gas liquids.
 (b) Natural gas is converted to oil equivalent at 5.8 billion cubic feet = 1 million barrels.

Reconciliation of Historical Cost Profit (Loss) to Pro Forma Result

| \$ million | Reported earnings | Acquisition amortization | Pro forma result |
|------------------------------------|----------------------|-----------------------------|---------------------|
| | ===== | | |
| 3Q 2004 | | | |
| Exploration and Production | 4,883 | 261 | 5,144 |
| Refining and Marketing | 1,081 | 220 | 1,301 |
| Petrochemicals | 188 | - | 188 |
| Gas, Power and Renewables | 130 | - | 130 |
| Other businesses and corporate | (424) | - | (424) |
| | ----- | | |
| RC profit before interest and tax | 5,858 | 481 | 6,339 |
| Interest and other finance expense | (235) | - | (235) |
| Taxation | (2,109) | - | (2,109) |
| MSI | (58) | - | (58) |
| | ----- | | |
| RC profit | 3,456 | 481 | 3,937 |
| | | ===== | |
| Stock holding gains (losses) | 1,027 | | |
| | ----- | | |
| HC profit | 4,483 | | |
| | ===== | | |
| 4Q 2003 | | | |
| Exploration and Production | 2,848 | 426 | 3,274 |
| Refining and Marketing | 320 | 211 | 531 |
| Petrochemicals | 41 | - | 41 |
| Gas, Power and Renewables | 86 | - | 86 |
| Other businesses and corporate | 465 | - | 465 |
| | ----- | | |
| RC profit before interest and tax | 3,760 | 637 | 4,397 |
| Interest and other finance expense | (312) | - | (312) |
| Taxation | (1,157) | - | (1,157) |
| MSI | (41) | - | (41) |
| | ----- | | |
| RC profit | 2,250 | 637 | 2,887 |
| | | ===== | |
| Stock holding gains (losses) | 84 | | |
| | ----- | | |
| HC profit | 2,334 | | |
| | ===== | | |

Reconciliation of Historical Cost Profit (Loss) to Pro Forma Result

| \$ million | Reported earnings | Acquisition amortization | Pro forma result |
|----------------------------|----------------------|-----------------------------|---------------------|
| | ===== | | |
| Year 2004 | | | |
| Exploration and Production | 18,520 | 1,239 | 19,759 |
| Refining and Marketing | 4,722 | 881 | 5,603 |

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| | | | |
|------------------------------------|---------|-------|---------|
| Petrochemicals | (900) | - | (900) |
| Gas, Power and Renewables | 943 | - | 943 |
| Other businesses and corporate | 314 | - | 314 |
| | ----- | | |
| RC profit before interest and tax | 23,599 | 2,120 | 25,719 |
| Interest and other finance expense | (999) | - | (999) |
| Taxation | (8,282) | - | (8,282) |
| MSI | (230) | - | (230) |
| | ----- | | |
| RC profit | 14,088 | 2,120 | 16,208 |
| | | ===== | |
| Stock holding gains (losses) | 1,643 | | |
| | ----- | | |
| HC profit | 15,731 | | |
| | ===== | | |
| | | | |
| Year 2003 | | | |
| Exploration and Production | 14,666 | 1,566 | 16,232 |
| Refining and Marketing | 2,318 | 826 | 3,144 |
| Petrochemicals | 568 | - | 568 |
| Gas, Power and Renewables | 570 | - | 570 |
| Other businesses and corporate | (184) | - | (184) |
| | ----- | | |
| RC profit before interest and tax | 17,938 | 2,392 | 20,330 |
| Interest and other finance expense | (1,191) | - | (1,191) |
| Taxation | (6,111) | - | (6,111) |
| MSI | (170) | - | (170) |
| | ----- | | |
| RC profit | 10,466 | 2,392 | 12,858 |
| | | ===== | |
| Stock holding gains (losses) | 16 | | |
| | ----- | | |
| HC profit | 10,482 | | |
| | ===== | | |

Return on Average Capital Employed

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year | |
|---------------------------|--------------------------|---------------------------|---------------------------------|------------|--------|
| | | | | 2004 | 2003 |
| \$ million | | | | \$ million | |
| | | | | ===== | |
| | | | Replacement cost basis | | |
| 2,250 | 3,456 | 3,028 | RC profit for the period (a) | 14,088 | 10,466 |
| 73 | 67 | 90 | Interest (b) | 283 | 332 |
| 41 | 58 | 76 | Minority shareholders' interest | 230 | 170 |
| | | | | ----- | |
| 2,364 | 3,581 | 3,194 | Adjusted RC profit | 14,601 | 10,968 |
| | | | | ===== | |
| | | | Average capital employed | 97,568 | 90,263 |
| 91,203 | 95,568 | 99,031 | ROACE - replacement cost basis | 15.0% | 12.2% |
| 10.4% | 15.0% | 12.9% | | ----- | |
| | | | Pro forma basis | | |
| 2,364 | 3,581 | 3,194 | Adjusted RC profit (a) | 14,601 | 10,968 |
| 637 | 481 | 618 | Acquisition amortization | 2,120 | 2,392 |

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| | | | | | |
|--------|--------|--------|--|--------|--------|
| 3,001 | 4,062 | 3,812 | Adjusted RC profit - pro forma basis | 16,721 | 13,360 |
| 91,203 | 95,568 | 99,031 | Average capital employed | 97,568 | 90,263 |
| 13,556 | 12,156 | 11,628 | Average capital employed acquisition adjustment | 12,376 | 15,017 |
| 77,647 | 83,412 | 87,403 | Average capital employed (pro forma basis) | 85,192 | 75,246 |
| 15.5% | 19.5% | 17.4% | ROACE - pro forma basis | 19.6% | 17.8% |
| 2,334 | 4,483 | 2,534 | Historical cost basis Profit for the period (a) | 15,731 | 10,482 |
| 73 | 67 | 90 | Interest (b) | 283 | 332 |
| 41 | 58 | 76 | Minority shareholders' interest | 230 | 170 |
| 2,448 | 4,608 | 2,700 | Adjusted historical cost profit | 16,244 | 10,984 |
| 91,203 | 95,568 | 99,031 | Average capital employed | 97,568 | 90,263 |
| 10.7% | 19.3% | 10.9% | ROACE - historical cost basis | 16.6% | 12.2% |

- (a) 4Q 2004 includes \$(143) million in respect of exceptional items and \$(984) million in respect of non-operating items and UPIS. Year 2004 includes \$1,076 million in respect of exceptional items and \$(1,685) million in respect of non-operating items and UPIS. 4Q 2003 includes \$69 million in respect of exceptional items and \$135 million in respect of non-operating items and UPIS. Year 2003 includes \$708 million in respect of exceptional items and \$(268) million in respect of non-operating items and UPIS.
- (b) Excludes interest on joint venture and associated undertakings' debt and is on a post-tax basis using a deemed tax rate equal to the US statutory tax rate.

Pre-Tax Cash Returns

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year | |
|---------------------------|--------------------------|---------------------------|---|------------|--------|
| | | | | 2004 | 2003 |
| \$ million | | | | \$ million | |
| 3,760 | 5,858 | 5,571 | Replacement cost profit before interest and tax | 23,599 | 17,938 |
| 15 | 15 | 273 | Exceptional items | (815) | (831) |
| 3,775 | 5,873 | 5,844 | Replacement cost operating profit | 22,784 | 17,107 |
| 637 | 481 | 618 | Acquisition amortization | 2,120 | 2,392 |
| 4,412 | 6,354 | 6,462 | Pro forma replacement cost operating profit | 24,904 | 19,499 |
| (35) | 550 | 1,287 | Non-operating items | 2,120 | 779 |
| 2,148 | 2,160 | 2,526 | Pro forma DD&A, adjusted for non- cash non-operating items | 8,934 | 8,191 |
| 6,525 | 9,064 | 10,275 | Cash returns numerator | 35,958 | 28,469 |

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| | | | | | |
|----------|----------|----------|---|----------|----------|
| 94,045 | 96,971 | 101,090 | Capital employed | 101,090 | 94,045 |
| 16,068 | 17,531 | 17,302 | Liabilities for current and deferred taxation | 17,302 | 16,068 |
| ----- | | | | | |
| 110,113 | 114,502 | 118,392 | Operating capital employed | 118,392 | 110,113 |
| (13,362) | (11,865) | (11,390) | Acquisition adjustment | (11,390) | (13,362) |
| ----- | | | | | |
| 96,751 | 102,637 | 107,002 | Cash returns denominator | 107,002 | 96,751 |
| ===== | | | | | |
| 93,755 | 100,908 | 104,820 | Average cash returns denominator | 101,877 | 90,385 |
| ===== | | | | | |
| 28% | 36% | 39% | Cash return | 35% | 31% |

Net Debt Ratio - Net Debt: Net Debt + Equity

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year | |
|---------------------------|--------------------------|---------------------------|------------------------------------|------------|--------|
| | | | | 2004 | 2003 |
| \$ million | | | | \$ million | |
| ===== | | | | | |
| 22,325 | 20,445 | 23,091 | Gross debt | 23,091 | 22,325 |
| 2,132 | 1,821 | 1,484 | Cash and current asset investments | 1,484 | 2,132 |
| ----- | | | | | |
| 20,193 | 18,624 | 21,607 | Net debt | 21,607 | 20,193 |
| ===== | | | | | |
| 71,720 | 76,526 | 77,999 | Equity | 77,999 | 71,720 |
| 22% | 20% | 22% | Net debt ratio | 22% | 22% |
| ----- | | | | | |
| 13,362 | 11,865 | 11,390 | Acquisition adjustment | 11,390 | 13,362 |
| ----- | | | | | |
| 26% | 22% | 24% | Net debt ratio - pro forma basis | 24% | 26% |
| ===== | | | | | |

Notes

1. Restatement of comparative information

Comparative information for 2003 has been restated to reflect the changes described below.

- (a) Transfer of natural gas liquids activities
With effect from 1 January 2004 natural gas liquids (NGLs) activities have been transferred from the Exploration and Production segment to Gas, Power and Renewables.
- (b) New accounting standard for pensions and other post-retirement benefits
With effect from 1 January 2004 BP has adopted Financial Reporting Standard No. 17 'Retirement Benefits' (FRS 17). FRS 17 requires that financial statements reflect at fair value the assets and liabilities arising from an employer's retirement benefit obligations and any related funding. The operating costs of providing retirement benefits are recognized in the period in which they are earned together with any related finance costs and changes in the value of related assets and liabilities. This contrasts with Statement of Standard Accounting Practice No. 24 'Accounting for Pension Costs', which required the cost of providing pensions to be recognized on a systematic and rational basis over the period during which the employer benefited from the employee's services.

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The difference between the amount charged in the income statement and the amount paid as contributions into the pension fund was shown as a prepayment or provision on the balance sheet.

- (c) Accounting for Employee Share Ownership Plans
 With effect from 1 January 2004 BP has adopted Urgent Issues Task Force Abstract No. 38 'Accounting for ESOP Trusts'. This abstract requires that BP shares held by the group for the purposes of Employee Share Ownership Plans (ESOPs) are deducted from equity on the balance sheet. Such shares were previously classified as fixed asset investments. In addition, accruals for awards under the Long Term Performance Plan have also been included in reserves.

| Balance sheet at 31 December 2003 | Restated | Reported |
|---|------------|----------|
| | ===== | |
| | \$ million | |
| Fixed assets | | |
| Intangible assets | 13,642 | 13,642 |
| Tangible assets | 91,911 | 91,911 |
| Investments | 17,458 | 17,554 |
| | ----- | ----- |
| | 123,011 | 123,107 |
| | ----- | ----- |
| Current assets | 47,651 | 54,465 |
| Creditors - amounts falling due within one year | 50,584 | 50,584 |
| | ----- | ----- |
| Net current assets (liabilities) | (2,933) | 3,881 |
| | ----- | ----- |
| Total assets less current liabilities | 120,078 | 126,988 |
| Creditors - amounts falling due after more than one year | 18,899 | 18,959 |
| Provisions for liabilities and charges | | |
| Deferred taxation | 14,371 | 15,273 |
| Other provisions | 8,599 | 15,693 |
| | ----- | ----- |
| Net assets excluding pension and other post-retirement benefit balances | 78,209 | 77,063 |
| Defined benefit pension plan surplus | 1,146 | - |
| Defined benefit pension plan deficits | (5,005) | - |
| Other post-retirement benefit plan deficits | (2,630) | - |
| | ----- | ----- |
| Net assets | 71,720 | 77,063 |
| Minority shareholders' interest | 1,125 | 1,125 |
| | ----- | ----- |
| BP shareholders' interest | 70,595 | 75,938 |
| | ===== | ===== |

Notes

| Income statements | Restated | | Reported | |
|-------------------|----------|------|----------|------|
| | Fourth | | Fourth | |
| | Quarter | Year | Quarter | Year |
| | 2003 | 2003 | 2003 | 2003 |

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| | \$ million | | | |
|---|------------|--------|-------|--------|
| Exploration and Production | 2,848 | 14,666 | 2,889 | 14,850 |
| Refining and Marketing | 320 | 2,318 | 274 | 2,127 |
| Petrochemicals | 41 | 568 | 51 | 606 |
| Gas, Power and Renewables | 86 | 570 | 67 | 466 |
| Other businesses and corporate | 465 | (184) | (176) | (805) |
| Replacement cost profit before interest and tax | 3,760 | 17,938 | 3,105 | 17,244 |
| Stock holding gains (losses) | 84 | 16 | 84 | 16 |
| Historical cost profit before interest and tax | 3,844 | 17,954 | 3,189 | 17,260 |
| Interest expense | 160 | 644 | 227 | 851 |
| Other finance expense | 152 | 547 | - | - |
| Profit before taxation | 3,532 | 16,763 | 2,962 | 16,409 |
| Taxation | 1,157 | 6,111 | 949 | 5,972 |
| Profit after taxation | 2,375 | 10,652 | 2,013 | 10,437 |
| Minority shareholders' interest | 41 | 170 | 41 | 170 |
| Profit for the period | 2,334 | 10,482 | 1,972 | 10,267 |
| Distribution to shareholders | 1,495 | 5,753 | 1,495 | 5,753 |
| Earnings per ordinary share - cents | | | | |
| Basic | 10.56 | 47.27 | 8.93 | 46.30 |
| Diluted | 10.32 | 46.83 | 8.69 | 45.87 |

Notes

2. Turnover

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | Year | |
|---------------------|--------------------|---------------------|----------------------------------|-----------------|
| \$ million | | | 2004 | 2003 |
| 7,450 | 8,660 | 9,875 | | |
| 36,903 | 42,989 | 47,196 | | |
| 3,811 | 5,412 | 6,482 | | |
| 16,701 | 20,443 | 23,468 | | |
| 137 | 137 | 156 | | |
| 65,002 | 77,641 | 87,177 | 319,576 | 262,459 |
| 7,138 | 9,126 | 9,567 | 34,517 | 29,888 |
| 57,864 | 68,515 | 77,610 | 285,059 | 232,571 |
| 1,798 | 2,967 | 3,054 | 9,790 | 3,474 |
| | | | By business | |
| | | | Exploration and Production | 34,914 30,753 |
| | | | Refining and Marketing | 179,587 149,477 |
| | | | Petrochemicals | 21,209 16,075 |
| | | | Gas, Power and Renewables | 83,320 65,639 |
| | | | Other businesses and corporate | 546 515 |
| | | | Less: sales between businesses | |
| | | | Group excluding JVs | |
| | | | Share of sales by joint ventures | |

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| ----- | | | ----- | |
|----------------------|--------|--------|---------------------------|-----------------|
| 59,662 | 71,482 | 80,664 | 294,849 | 236,045 |
| ===== | | | ===== | |
| By geographical area | | | | |
| Group excluding JVs | | | | |
| 14,117 | 21,848 | 24,656 | UK | 81,155 54,971 |
| 12,288 | 13,876 | 15,173 | Rest of Europe | 54,422 50,582 |
| 26,347 | 29,065 | 34,002 | USA | 130,652 108,910 |
| 13,894 | 16,731 | 19,717 | Rest of World | 68,052 52,498 |
| ----- | | | ----- | |
| 66,646 | 81,520 | 93,548 | | 334,281 266,961 |
| 8,782 | 13,005 | 15,938 | Less: sales between areas | 49,222 34,390 |
| ----- | | | ----- | |
| 57,864 | 68,515 | 77,610 | | 285,059 232,571 |
| ===== | | | ===== | |

3. Replacement cost profit

Replacement cost profits reflect the current cost of supplies. The replacement cost profit for the period is arrived at by excluding from the historical cost profit stock holding gains and losses.

Notes

4. Operating profits are after charging:

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | Year | |
|---------------------------|--------------------------|---------------------------|---------------------------|-------------|
| ===== | | | 2004 | 2003 |
| ----- | | | ----- | |
| \$ million | | | \$ million | |
| Exploration expense | | | | |
| 1 | 4 | 17 | UK | 26 17 |
| 5 | 7 | 10 | Rest of Europe | 25 37 |
| 60 | 58 | 143 | USA | 361 204 |
| 127 | 66 | 88 | Rest of World | 225 284 |
| ----- | | | ----- | |
| 193 | 135 | 258 | | 637 542 |
| ===== | | | ===== | |
| Production taxes (a) | | | | |
| 44 | 51 | 112 | UK petroleum revenue tax | 335 300 |
| 377 | 502 | 535 | Overseas production taxes | 1,814 1,423 |
| ----- | | | ----- | |
| 421 | 553 | 647 | | 2,149 1,723 |
| ===== | | | ===== | |

(a) Production taxes are charged against Exploration and Production's operating profit and are not included in the charge for taxation in Note 8.

5. Stock holding gains (losses)

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| | | | | | |
|-------|-------|-------|----------------------------|-------|------|
| - | 5 | (3) | Exploration and Production | 10 | 3 |
| 16 | 866 | (578) | Refining and Marketing | 1,245 | (48) |
| 10 | 129 | 59 | Petrochemicals | 349 | 55 |
| 58 | 27 | 28 | Gas, Power and Renewables | 39 | 6 |
| ----- | | | | ----- | |
| 84 | 1,027 | (494) | | 1,643 | 16 |
| ===== | | | | ===== | |

Notes

6. Interest expense

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year | |
|---------------------------|--------------------------|---------------------------|-------------------------|------------|-------|
| | | | | 2004 | 2003 |
| ----- | | | | ----- | |
| \$ million | | | | \$ million | |
| ----- | | | | ----- | |
| 172 | 160 | 188 | Group interest payable | 644 | 700 |
| (60) | (57) | (49) | Capitalized | (208) | (190) |
| ----- | | | | ----- | |
| 112 | 103 | 139 | | 436 | 510 |
| 36 | 41 | 37 | Joint ventures | 158 | 89 |
| 12 | 12 | 13 | Associated undertakings | 48 | 45 |
| ----- | | | | ----- | |
| 160 | 156 | 189 | | 642 | 644 |
| ===== | | | | ===== | |

7. Other finance expense

| | | | | | |
|-------|-------|-------|---|---------|---------|
| 460 | 502 | 519 | Interest on pension and other post-retirement benefit plan liabilities | 2,012 | 1,840 |
| (375) | (493) | (501) | Expected return on pension and other post-retirement benefit plan assets | (1,983) | (1,500) |
| ----- | | | | ----- | |
| 85 | 9 | 18 | Interest net of expected return on plan assets | 29 | 340 |
| 42 | 48 | 50 | Unwinding of discount on provisions | 196 | 173 |
| 25 | 22 | 17 | Unwinding of discount on deferred consideration for acquisition of investment in TNK-BP | 91 | 34 |
| - | - | 41 | Change in discount rate for provisions | 41 | - |
| ----- | | | | ----- | |
| 152 | 79 | 126 | | 357 | 547 |
| ===== | | | | ===== | |

8. Charge for taxation

| | | | | | |
|-------|-------|-------|----------|-------|-------|
| 404 | 1,672 | 2,365 | Current | 7,908 | 4,919 |
| 753 | 437 | (213) | Deferred | 374 | 1,192 |
| ----- | | | | ----- | |

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| | | | | | |
|-------|-------|-------|----------|-------|-------|
| 1,157 | 2,109 | 2,152 | | 8,282 | 6,111 |
| ===== | ===== | ===== | | ===== | ===== |
| 356 | 601 | 387 | UK | 1,699 | 1,431 |
| 801 | 1,508 | 1,765 | Overseas | 6,583 | 4,680 |
| ----- | ----- | ----- | | ----- | ----- |
| 1,157 | 2,109 | 2,152 | | 8,282 | 6,111 |
| ===== | ===== | ===== | | ===== | ===== |

Notes

9. Analysis of changes in net debt

| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year | |
|---------------------------|--------------------------|---------------------------|--|------------|--------|
| ===== | ===== | ===== | | 2004 | 2003 |
| \$ million | | | | \$ million | |
| ===== | | | | ===== | |
| | | | Opening balance | | |
| 19,970 | 19,858 | 20,445 | Finance debt | 22,325 | 22,008 |
| 1,091 | 1,531 | 1,576 | Less: Cash | 1,947 | 1,520 |
| 404 | 172 | 245 | Current asset investments | 185 | 215 |
| ----- | ----- | ----- | | ----- | ----- |
| 18,475 | 18,155 | 18,624 | Opening net debt | 20,193 | 20,273 |
| ----- | ----- | ----- | | ----- | ----- |
| | | | Closing balance | | |
| 22,325 | 20,445 | 23,091 | Finance debt | 23,091 | 22,325 |
| 1,947 | 1,576 | 1,156 | Less: Cash | 1,156 | 1,947 |
| 185 | 245 | 328 | Current asset investments | 328 | 185 |
| ----- | ----- | ----- | | ----- | ----- |
| 20,193 | 18,624 | 21,607 | Closing net debt | 21,607 | 20,193 |
| ----- | ----- | ----- | | ----- | ----- |
| (1,718) | (469) | (2,983) | (Increase) decrease in net debt | (1,414) | 80 |
| ===== | ===== | ===== | | ===== | ===== |
| 797 | 24 | (489) | Movement in cash/ bank overdrafts | (871) | 317 |
| (223) | 73 | 74 | Increase (decrease) in current asset investments | 132 | (41) |
| | | | Net cash (inflow) outflow from financing(excluding share capital) | (431) | (760) |
| (2,350) | (563) | (2,535) | Debt transferred to TNK-BP | - | 93 |
| - | - | - | Exchange of Exchangeable Bonds for Lukoil American Depository Shares | - | 420 |
| 5 | 10 | 37 | Other movements | 68 | 144 |
| (3) | - | - | Debt acquired | - | (15) |
| ----- | ----- | ----- | | ----- | ----- |
| (1,774) | (456) | (2,913) | Movement in net debt before exchange effects | (1,102) | 158 |
| 56 | (13) | (70) | Exchange adjustments | (312) | (78) |
| ----- | ----- | ----- | | ----- | ----- |
| (1,718) | (469) | (2,983) | (Increase) decrease in net debt | (1,414) | 80 |
| ===== | ===== | ===== | | ===== | ===== |

Notes

10. TNK-BP Operational and Financial Information

Fourth Third Fourth

29 Aug

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| Quarter 2003 | Quarter 2004 | Quarter 2004 | | Year 2004 | 31 Dec 2003 |
|---------------------------|--------------------------|---------------------------|---|--------------|----------------|
| ===== | | | | | |
| | | | Production (Net of royalties) (BP share) | | |
| 669 | 858 | 884 | Crude oil (mb/d) | 830 | 665 |
| 296 | 505 | 515 | Natural gas (mmcf/d) | 463 | 281 |
| 720 | 945 | 972 | Total hydrocarbons (mboe/d) (a) | 910 | 713 |
| ===== | | | | | |
| \$ million | | | | \$ million | |
| | | | Income statement (BP share) | | |
| | | | Replacement cost profit | | |
| 354 | 807 | 659 | before interest and tax | 2,421 | 512 |
| - | - | - | Stock holding gains (losses) | - | - |
| (24) | (23) | (22) | Interest expense * | (101) | (37) |
| (53) | (257) | (209) | Taxation | (752) | (83) |
| 1 | (6) | (17) | Minority shareholders' interest | (43) | - |
| ----- | | | Net Income | 1,525 | 392 |
| ===== | | | | | |
| | | | * Excludes unwinding of discount on deferred consideration | 91 | 34 |
| 25 | 22 | 17 | | | |
| ===== | | | | | |
| | | | Cash Flow | | |
| | | | Additional investment in TNK-BP joint venture | (1,416) | (2,648) |
| (23) | - | - | Dividends related to period prior to acquisition | 166 | 297 |
| 297 | 23 | - | | | |
| ----- | | | Net investment in TNK-BP joint venture | (1,250) | (2,351) |
| ===== | | | | | |
| 274 | 23 | - | Dividends received | 1,760 | - |
| ===== | | | | | |
| - | 1,031 | 610 | | | |
| ===== | | | | | |
| Fourth Quarter 2003 | Third Quarter 2004 | Fourth Quarter 2004 | | Year 2004 | Year 2003 |
| ===== | | | | | |
| | | | Average oil marker prices (\$/bbl) | | |
| 27.90 | 37.23 | 37.75 | Urals (NWE - cif) | 34.08 | 27.20 |
| 28.00 | 37.41 | 38.82 | Urals (Med - cif) | 34.45 | 27.28 |
| 16.65 | 23.33 | 22.30 | Domestic Oil | 20.61 | 16.65 |
| ===== | | | | | |

| Balance Sheet | 31 December 2004 | 31 December 2003 |
|----------------------------|---------------------|---------------------|
| | ===== | ===== |
| | \$ million | |
| Fixed assets - investments | | |
| Gross assets | 12,520 | 10,339 |
| Gross liabilities | (4,352) | (3,290) |
| | ----- | ----- |
| | 8,168 | 7,049 |

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| | | |
|------------------------------|-------|-------|
| | ===== | ===== |
| Deferred consideration | | |
| Due within one year | 1,227 | 1,227 |
| Due after more than one year | 1,194 | 2,352 |
| | ----- | ----- |
| | 2,421 | 3,579 |
| | ===== | ===== |

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

BP's share of the result of the TNK-BP joint venture has been included within Exploration and Production with effect from 29 August 2003. TNK-BP operational and financial information has been estimated and includes adjustments to net income in respect of prior periods amounting to a credit of \$23 million in 4Q 2004 and charges of \$36 million in the year 2004.

Notes

11. Statutory accounts

The above financial information does not constitute statutory accounts. The summarised group results, summarised group balance sheet, summarised group cash flow statement and the Notes thereon (except Note 10) for the years ended 31 December 2004 and 2003 are an extract from the BP Annual Report and Accounts 2004, approved by a duly appointed and authorized committee of the Board of Directors at the Results Committee meeting held on 7 February 2005, but not yet delivered to the UK Registrar of Companies; the report of the auditors on those accounts was unqualified.

Contacts

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|--------------------|--------------------------------------|------------------------------------|
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<http://www.bp.com/investors>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BP p.l.c.

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(Registrant)

Dated: 8 February 2005

/s/ D. J. PEARL

.....
D. J. PEARL

Deputy Company Secretary