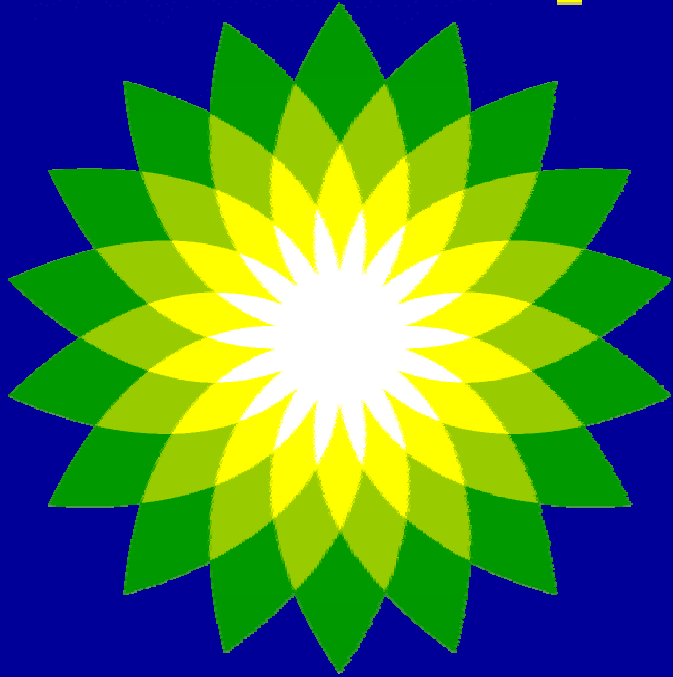


bp



presentation to the
financial community

1Q results
tuesday 29th april 2003

Forward Looking Statements Cautionary Statement

This presentation and the associated slides and discussion contain forward looking statements particularly those regarding future performance, costs, returns, dividends, capital expenditure, investments, divestments, gearing, BP's asset portfolio and changes in it, timing of pending transactions, share repurchases, reserves and production and other trend projections. Forward looking statements by their nature 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; operational problems; general economic conditions; 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; and wars and acts of terrorism or sabotage.

April 2003



Byron Grote – chief financial officer

agenda

- trading environment
- group results
- strategic progress by segment
- financial framework
- q&a



trading environment

	4Q02	1Q02	1Q03
average realisations			
liquids \$/bbl	24.78	18.77	29.82
natural gas \$/mcf	2.87	2.27	3.87
total hydrocarbons \$/boe	21.03	16.21	26.41
indicator margins			
refining \$/bbl	2.76	1.64	4.52
petrochemicals \$/te	108	80	90*

*provisional

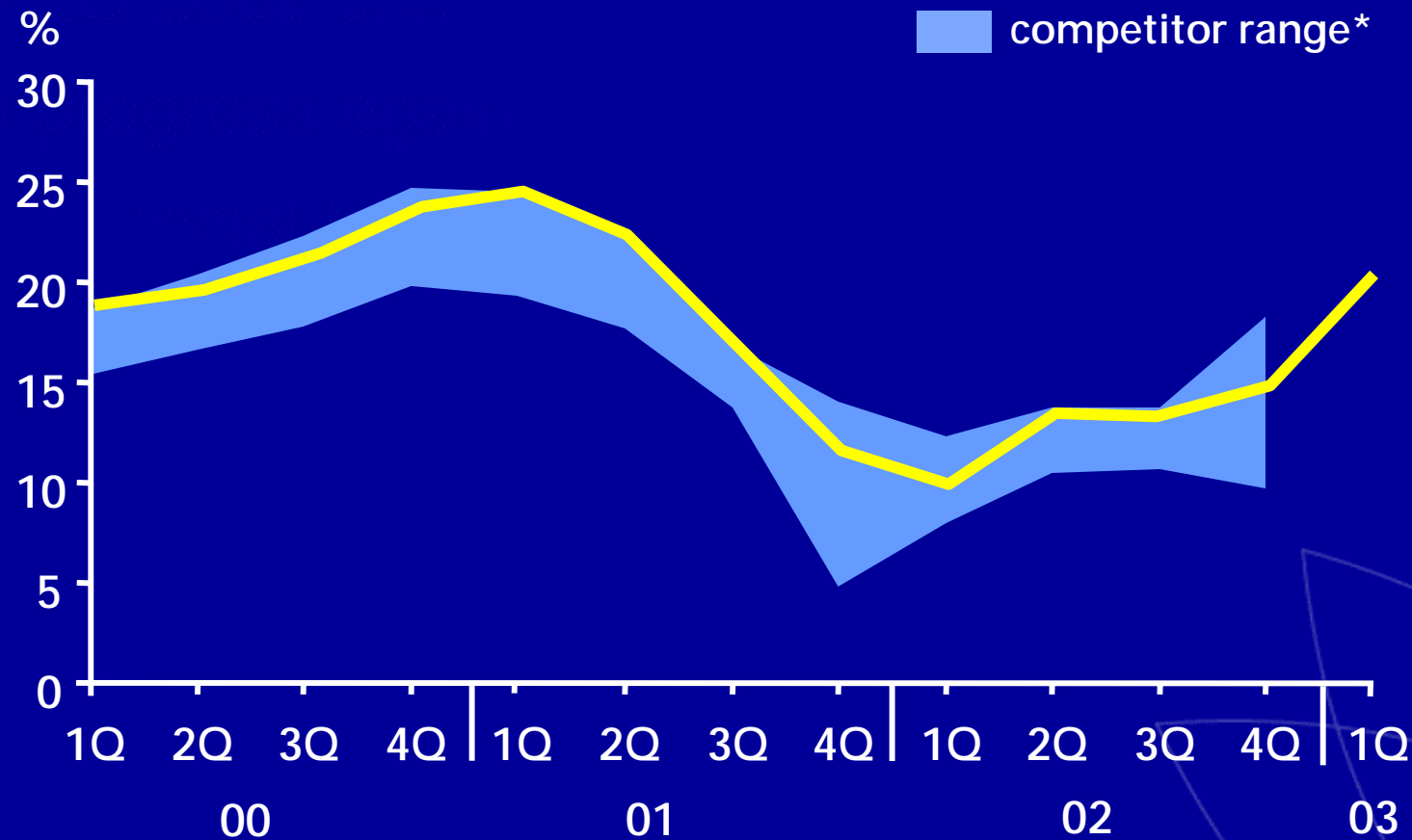


1Q03 financial results

result		% change vs 1Q02
proforma	\$3.7bn	136
replacement cost	\$3.1bn	239
historical cost	\$4.3bn	229
net cash from op. activity	\$6.0bn	64
dividend	6.25¢/share	9
roace (proforma)	20.4%	



return on average capital employed



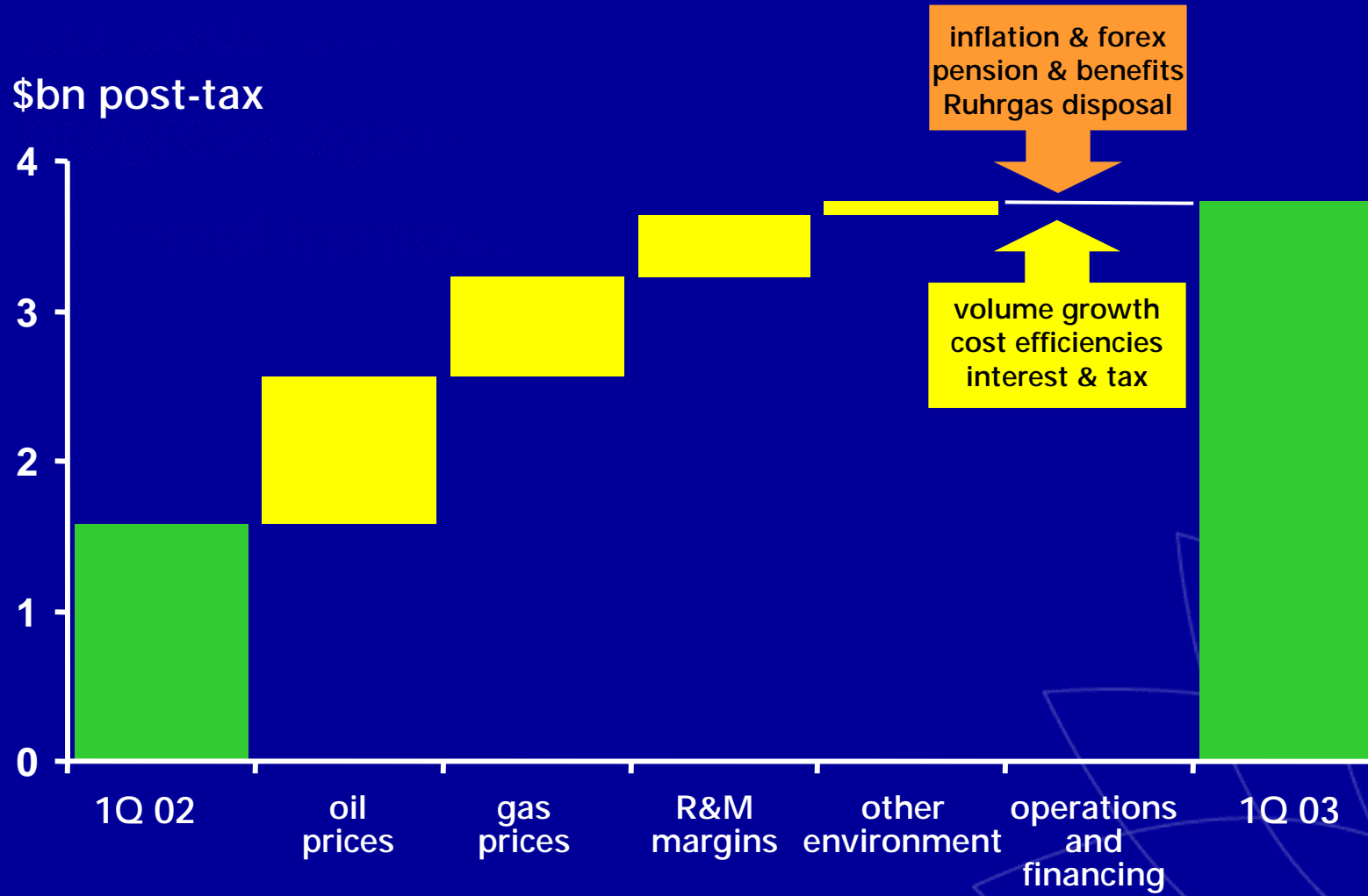
*BP, XOM, Shell, CVX, TOT

roace = (proforma result + after tax finance interest + MSI) / proforma ACE



1Q 2003 vs 1Q 2002 result

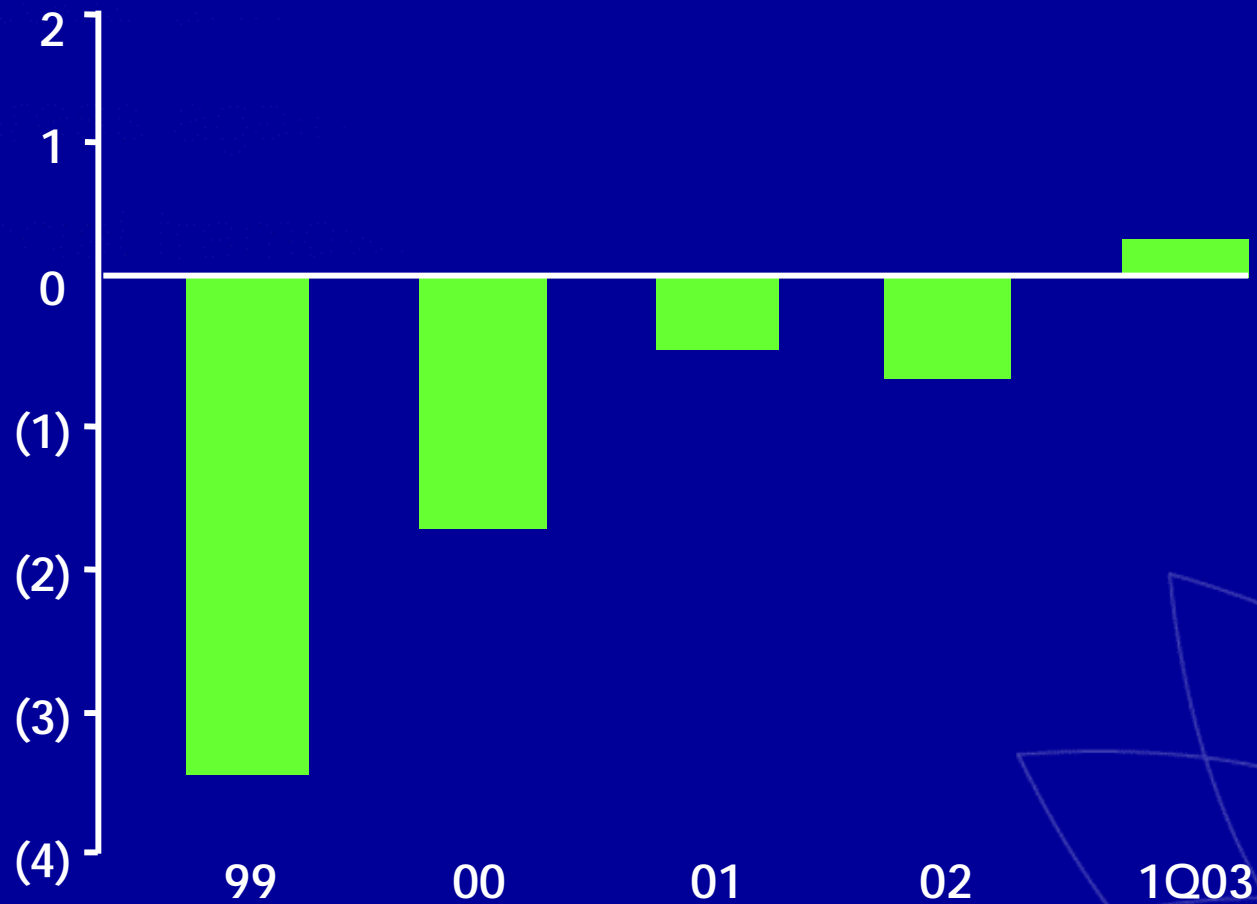
proforma basis





special and exceptional items

\$bn pre-tax





strategy

- choice: create distinctive set of investment opportunities
 - ▶ upstream bias
 - ▶ invest or divest to realise value
 - ▶ choice improves quality
- financial discipline: balance cash in and cash out over time at standardised assumptions
- productivity: strategic focus - 'right' level of costs
- gross margin: maximised with centrally allocated capital and costs
- choice combined with discipline and productivity leads to long term growth with competitive returns



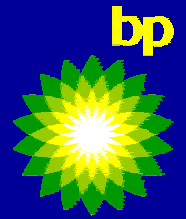
upstream strategic progress

- create
 - ▶ two new discoveries announced in Angola
- build
 - ▶ four project sanctions in 1Q as planned
 - ▶ other build projects on track
- produce
 - ▶ record quarter at 3618 mboed
- portfolio
 - ▶ transactions completed (Trinidad/Tangguh interests, Colombia/JDA swap, GOM package etc)
 - ▶ new transactions announced (Venezuela, North Sea)



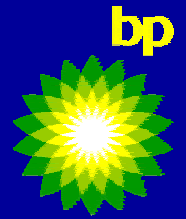
gp&r strategic progress

- maximise value through gas marketing
 - ▶ strong sales & margin growth in North America
 - ▶ commissioned Bilbao power plant
 - ▶ launched second of three new LNG ships
- grow NGL
 - ▶ improved NGL margin despite lower volume
- build renewables
 - ▶ new branded solar offer in California



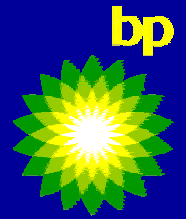
refining & marketing strategic progress

- operations
 - ▶ 600 sites re-imaged
 - ▶ 3 clean fuels projects completed
 - ▶ 1% higher refining throughput
- portfolio
 - ▶ Veba mandated divestments completed



petrochemicals strategic progress

- restructuring
 - ▶ completed Burmah Castrol Chemicals sale
 - ▶ announced intent to sell speciality intermediates
- focus on core products
 - ▶ Zhuhai PTA plant start-up in China
 - ▶ announced build of 700kte European PTA plant
 - ▶ 300kte ethylene expansion in USA underway
 - ▶ Shanghai petrochemicals complex sanctioned
- volumes and unit costs
 - ▶ record volumes
 - ▶ cash fixed costs / tonne down as planned

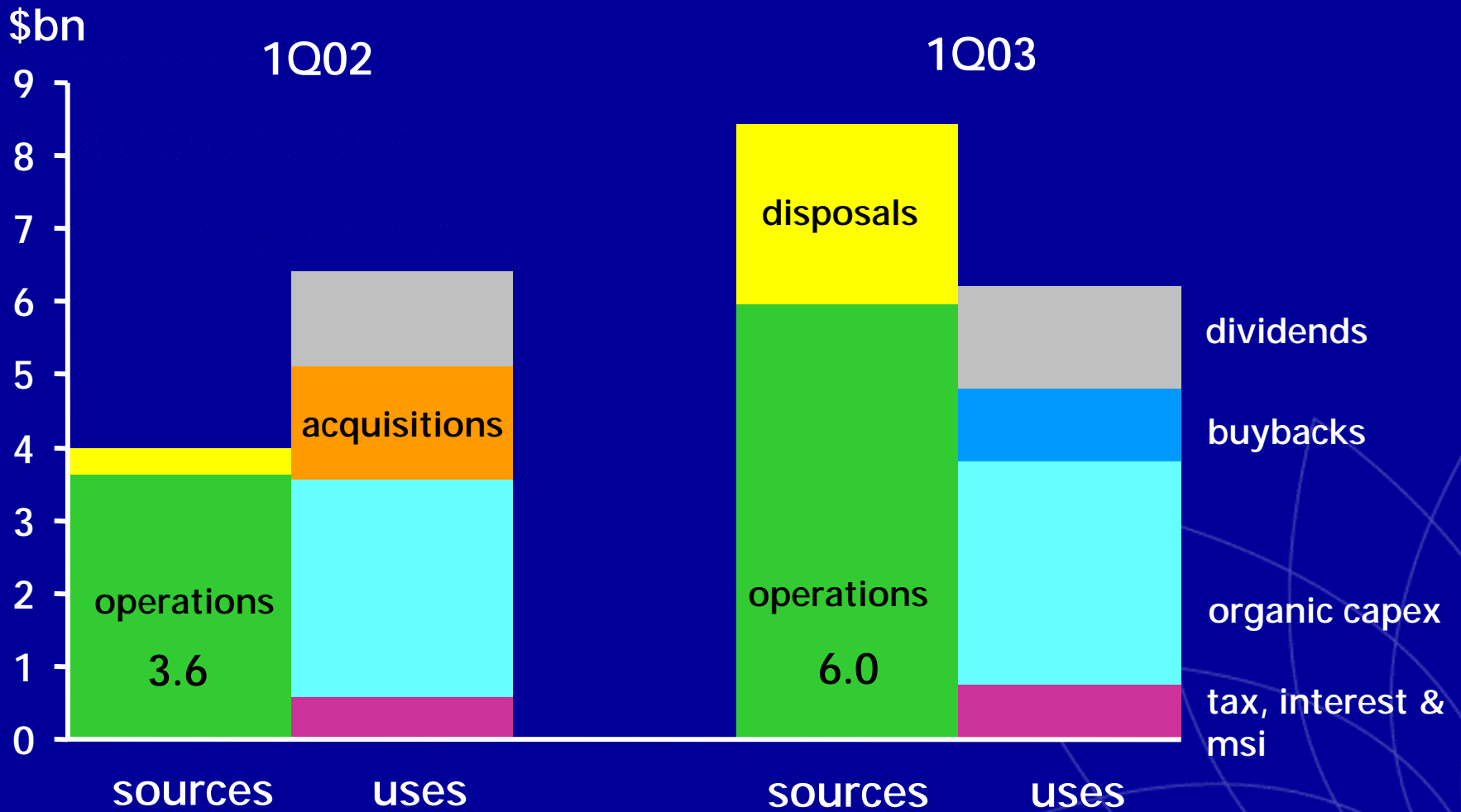


TNK-BP

- integration programme on track
- senior management team named
- completion expected this summer
- further information at completion



sources and uses of cash



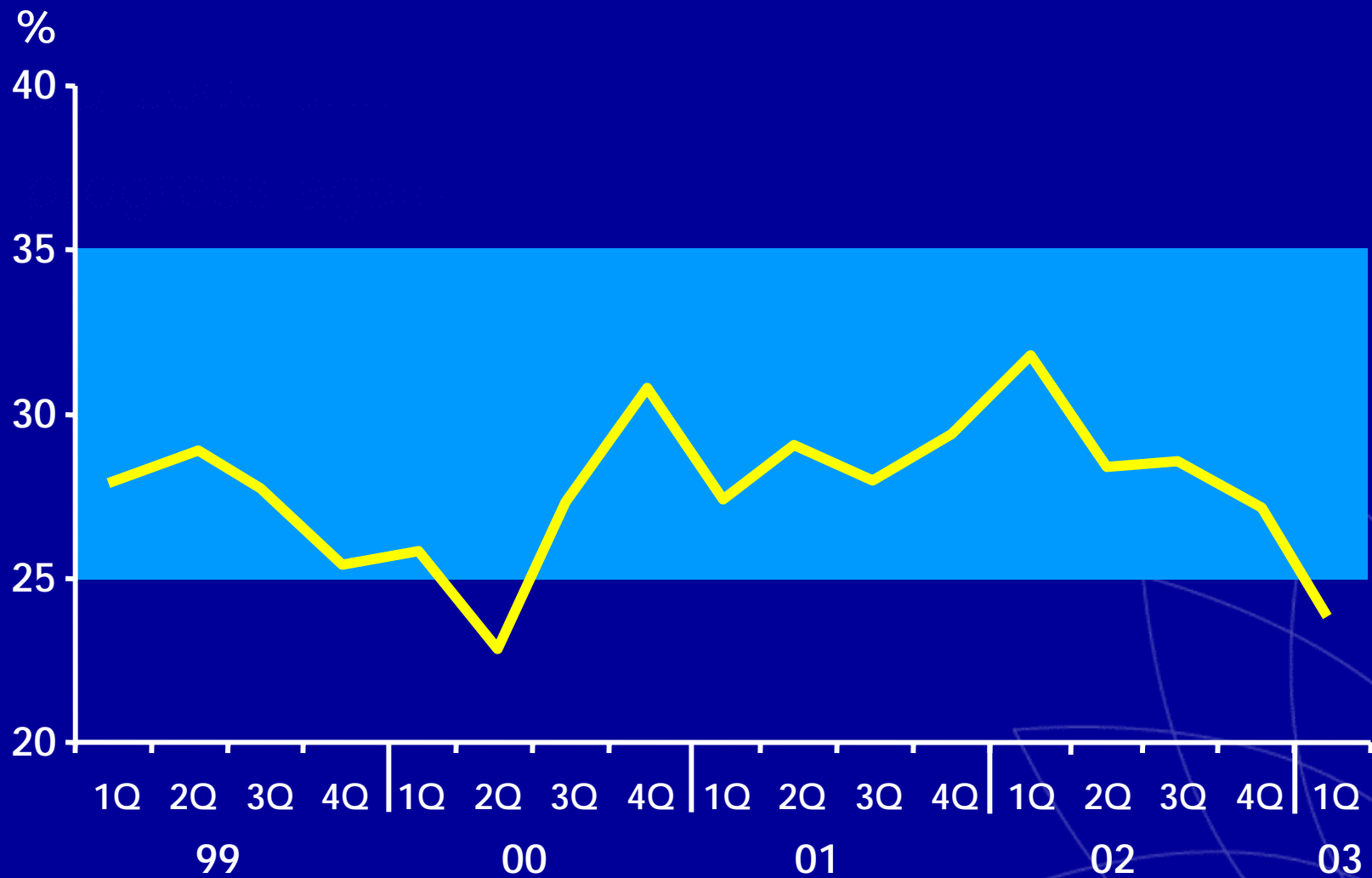


capital spending & divestments

\$bn	1Q03	2003 plan
organic capex	2.9	14.0 - 14.5
divestments	(2.5)	(3.0 - 6.0)



gearing



proforma gearing = $\text{net debt} / (\text{net debt} + \text{equity} - \text{acquisition adjustment})$



delivering value

a balanced framework

- value growth
- dividend policy
- stock buy backs
 - ▶ \$2bn announced on Feb 11th
 - ▶ \$1bn to date in 2003





q&a session

Byron Grote

chief financial officer

Fergus MacLeod

investor relations



bp

