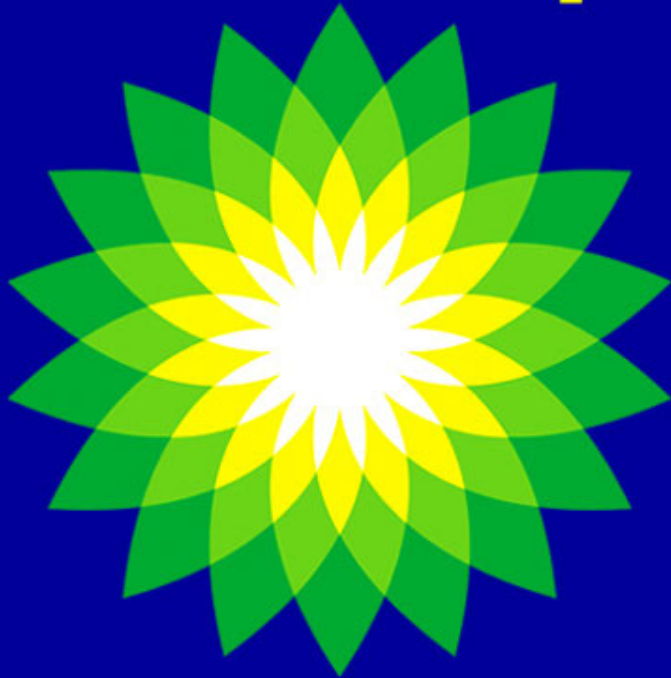


bp



presentation to the
financial community

tuesday 27th april 2004



Forward Looking Statements Cautionary Statement

This presentation and the associated slides and discussion contain forward looking statements particularly those regarding BP's asset portfolio and changes in it, capital expenditure, capital employed, cash flow, cash returns and other trend projections, costs, divestments, dividends and other distributions to shareholders, future performance, growth, gearing, impact of changes to accounting practices, impact of foreign exchange exposure, investments, margins, production, returns and timing of pending transactions. Forward-looking statements by their nature involve risks and uncertainties because they relate to events and depend on circumstances that will or may occur in the future. Actual results may differ from those expressed in these 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 laws and regulations, exchange rate fluctuations, development and use of new technology, changes in public expectations, successful commercial relationships, the actions of competitors, natural disasters and other changes in business conditions, wars and acts of terrorism or sabotage and other factors discussed elsewhere in this presentation.

Reconciliations to GAAP

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

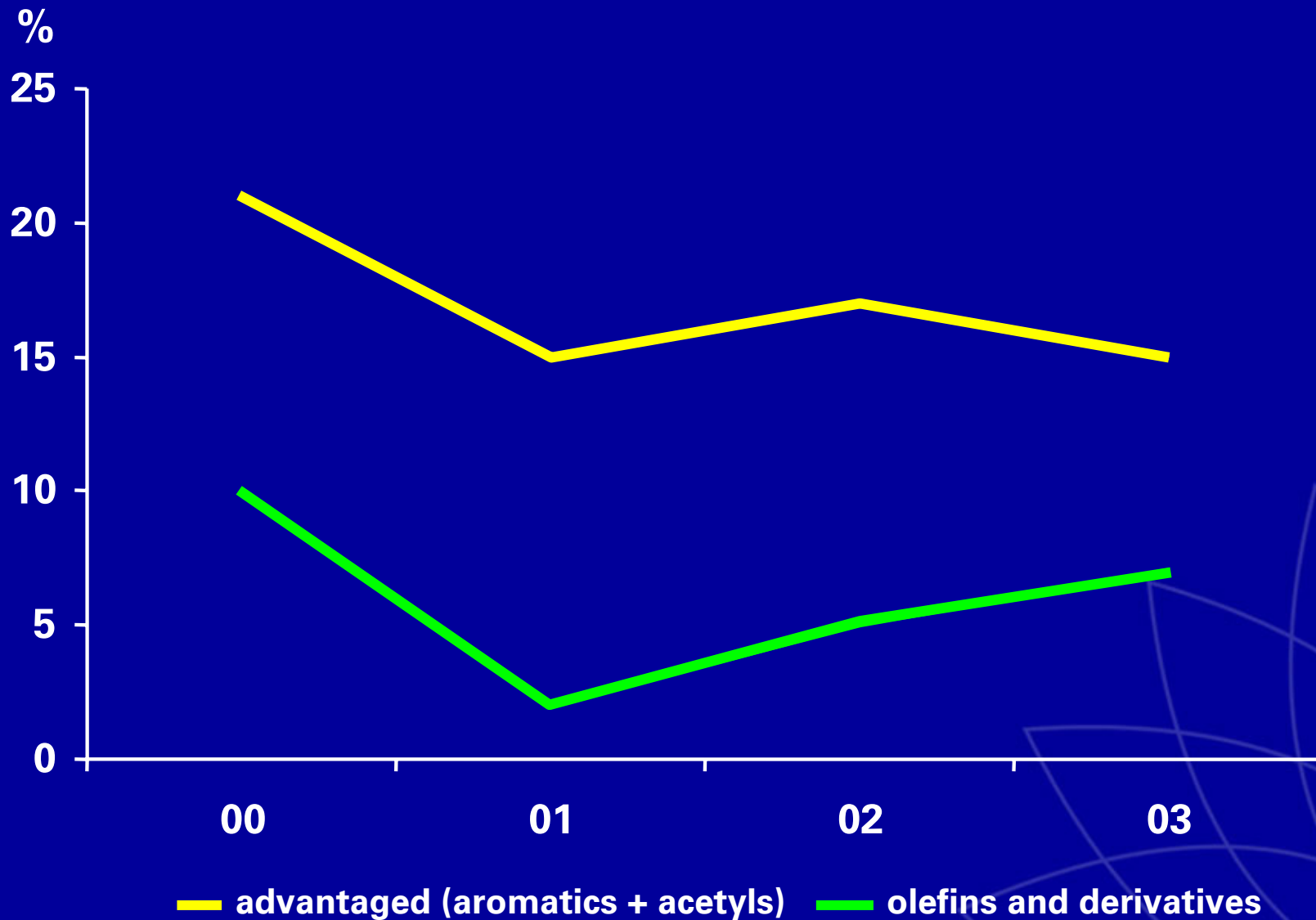
April 2004

delivery against targets



- reinvest for long term growth
 - ✓ on track
- increase dividends
 - ✓ +8% vs. 1Q 03
- distribute 100% of excess cash flow
 - ✓ \$1.25bn share buybacks in 1Q 04

petrochemicals: pre-tax cash returns



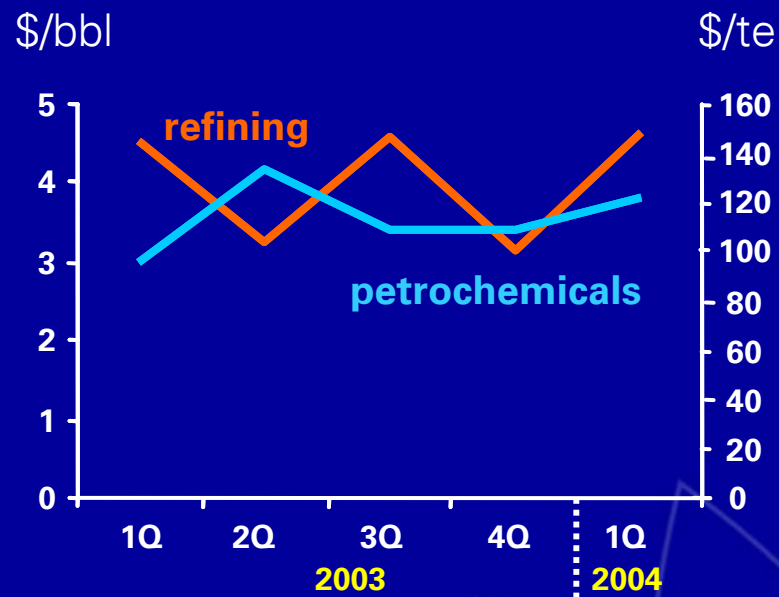
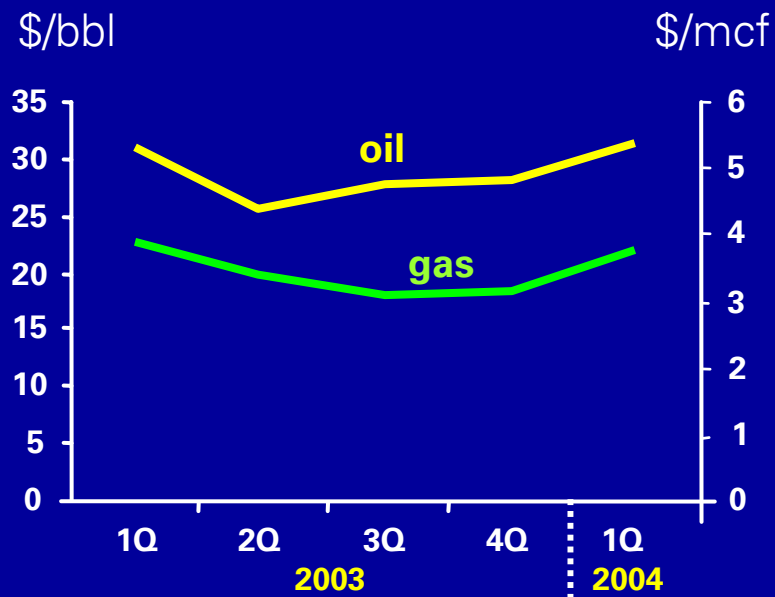
petrochemicals: next steps



- advantaged products
 - ▶ retain and grow
- olefins and derivatives
 - ▶ possible separate corporate entity
 - ▶ potential for IPO



trading environment



average realisations	% change vs	
	1Q03	4Q03
crude oil \$/bbl	+1%	+11%
natural gas \$/mcf	(2)%	+19%
total hydrocarbons \$/boe	0%	+14%

indicator margins	% change vs	
	1Q03	4Q03
refining \$/bbl	+2%	+47%
petrochemicals \$/te*	+27%	+12%

*provisional



- natural balance
- margin pressure in Europe
- net 1Q04 vs 1Q03
pre-tax impact

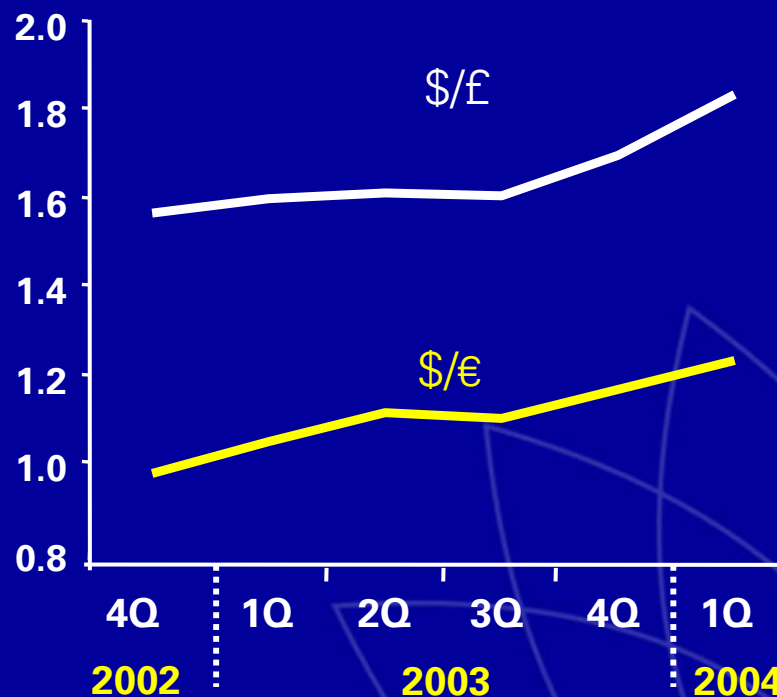
\$bn

(0.1) operating cash flow

(0.2) earnings

(0.1) capex

quarterly average exchange rates



financial results

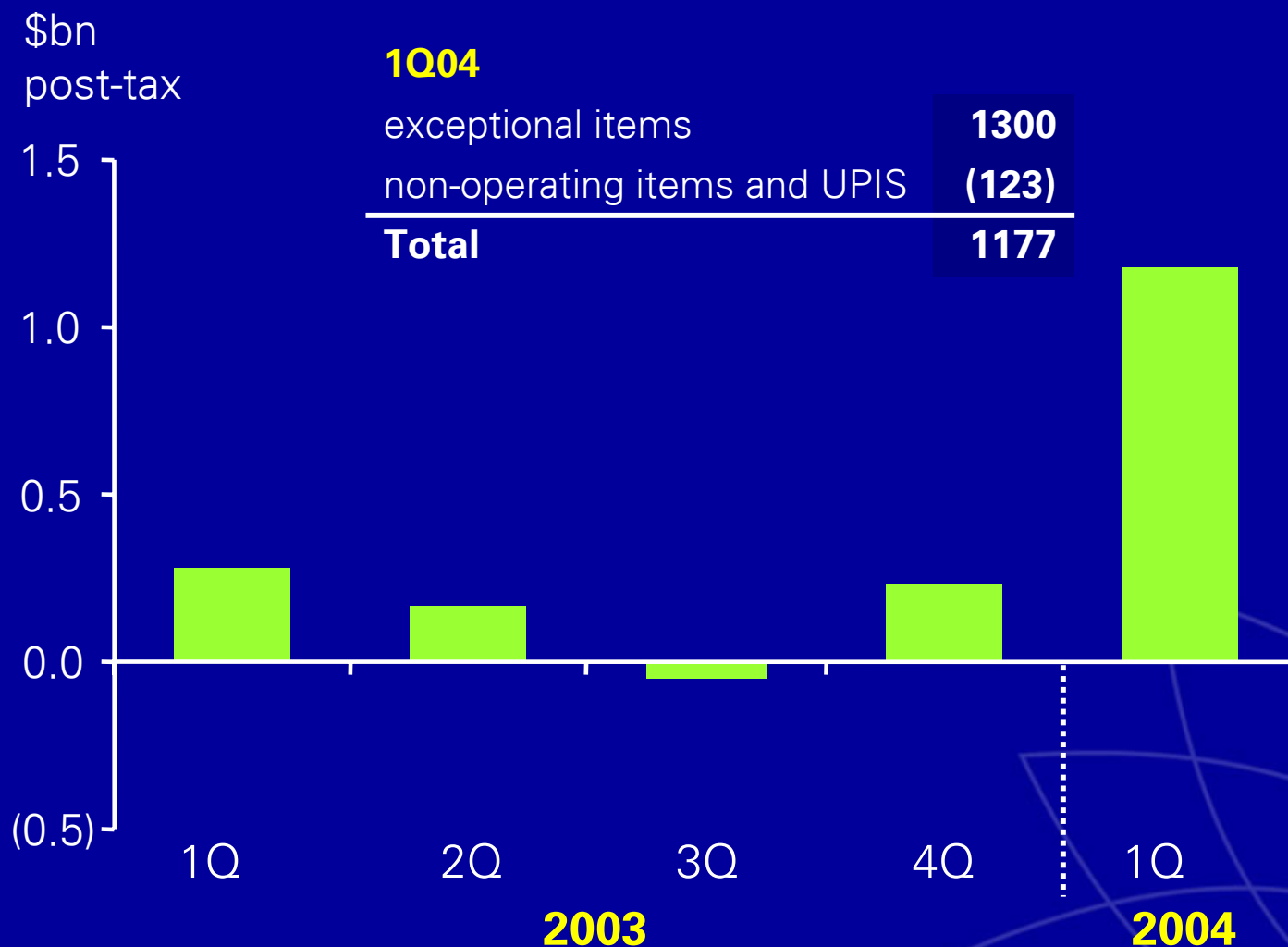


	\$bn	% change vs 1Q03
● results for the first quarter		
▶ pro forma	4.7	17
▶ replacement cost	4.2	22
▶ historical cost	4.8	14
▶ post-tax adjusted operating cash flow*	7.1	35
▶ pre-tax cash return **	32%	(5)
▶ ROACE pro forma	24%	0
▶ dividends ¢/share	6.75	8

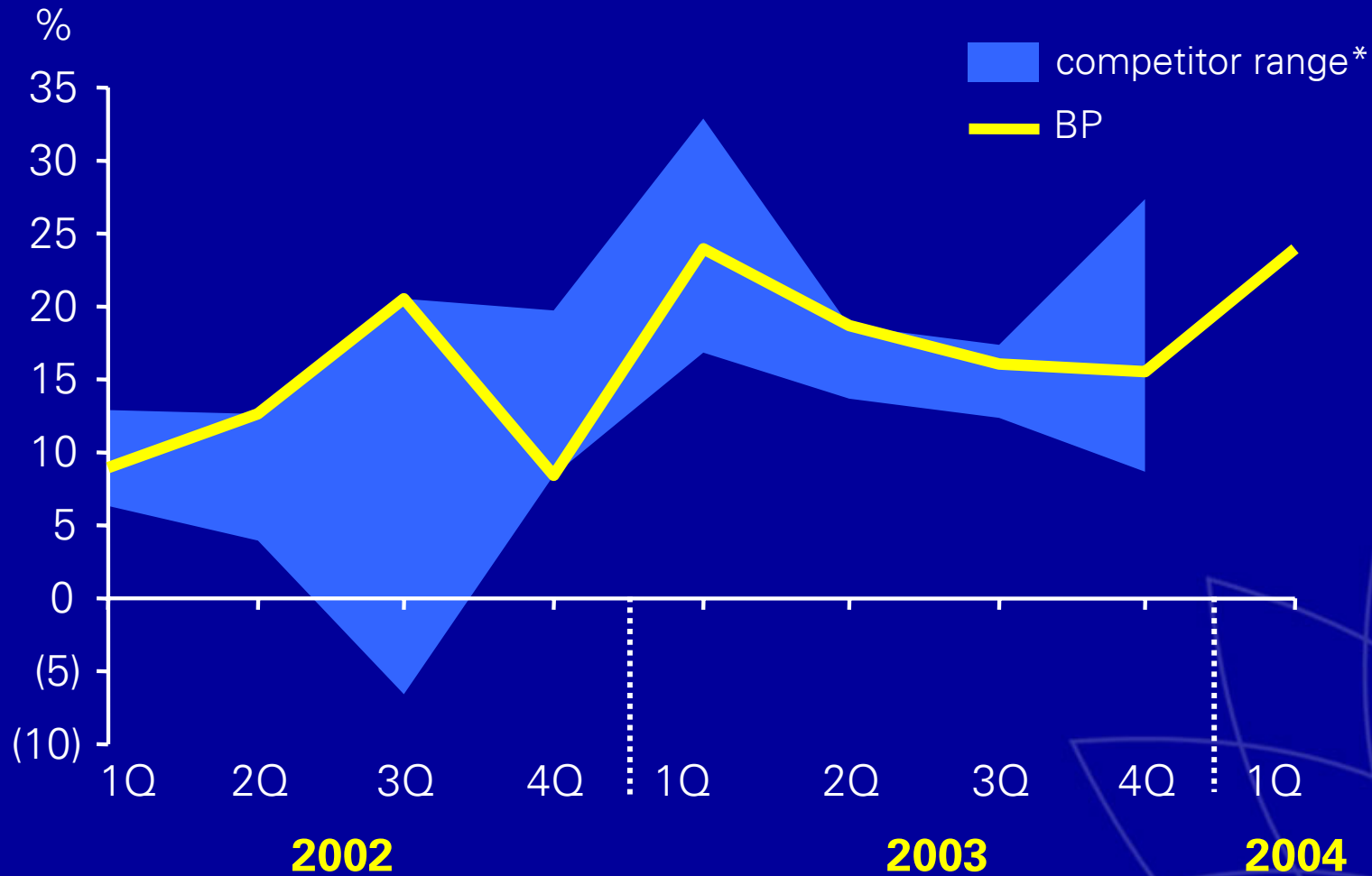
* after discretionary pension contributions of \$(0.1)bn in 1Q04 and \$(0.2)bn in 1Q03

** pre-tax cash return = pro forma RCP before interest & tax – exceptional items + pro forma DD&A /
pro forma average operating capital employed

exceptional & non-operating items



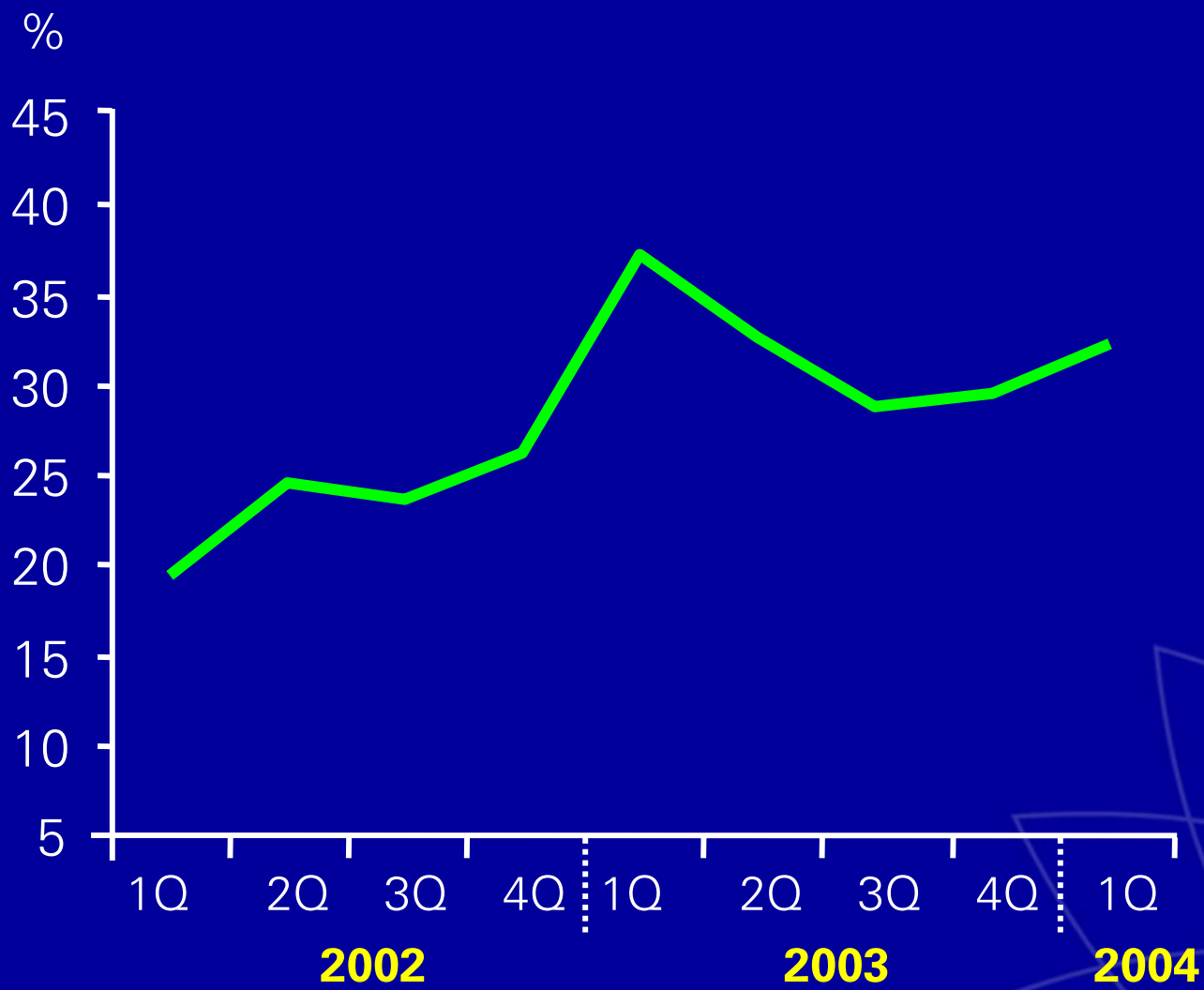
return on average capital employed



*BP, ExxonMobil, Shell, ChevronTexaco, Total

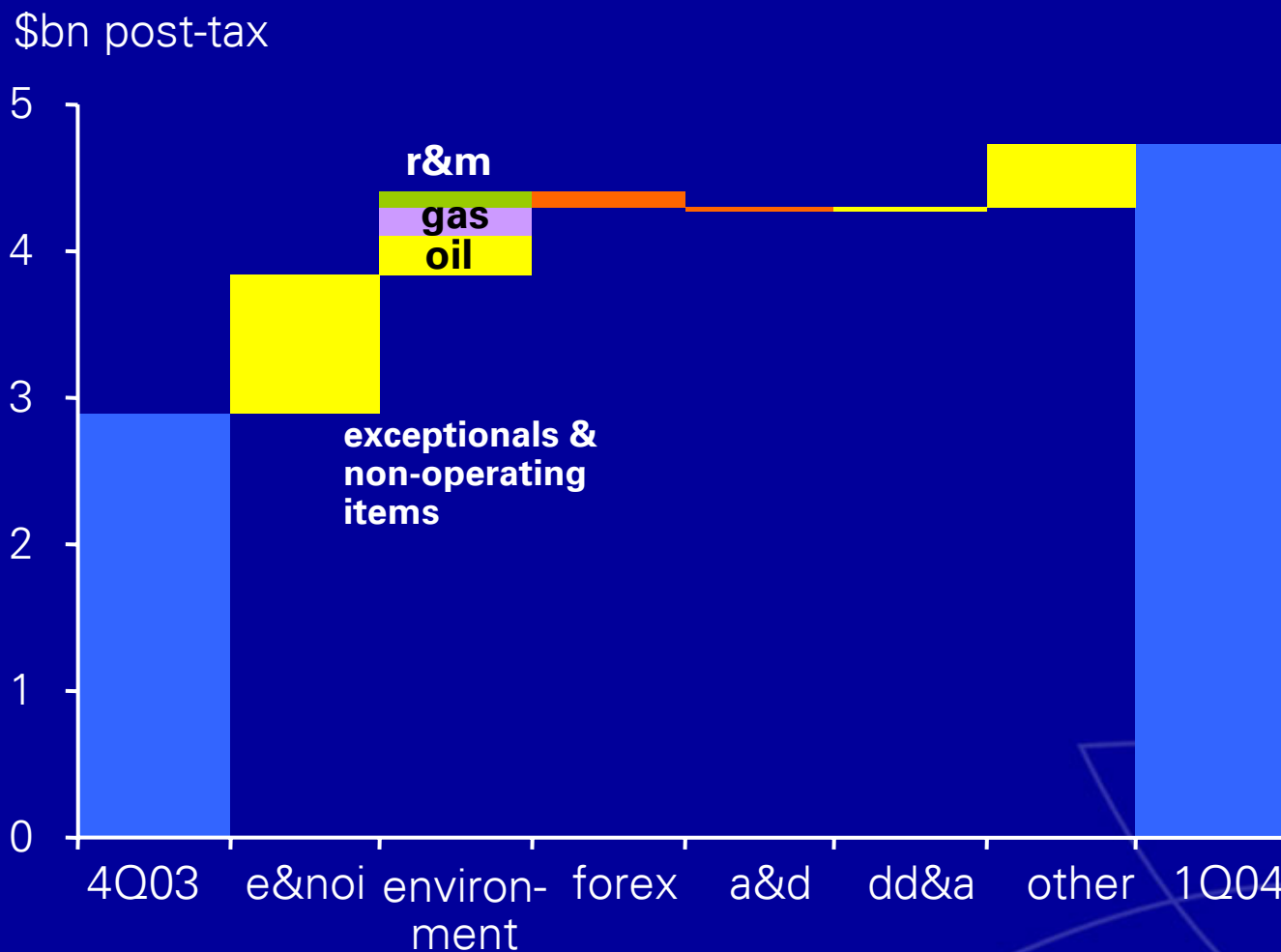
ROACE = (pro forma result + after tax finance interest + MSI) / pro forma average capital employed

pre-tax cash returns*



* pre-tax cash return = pro forma RCP before interest & tax – exceptional items + pro forma DD&A / pro forma average operating capital employed

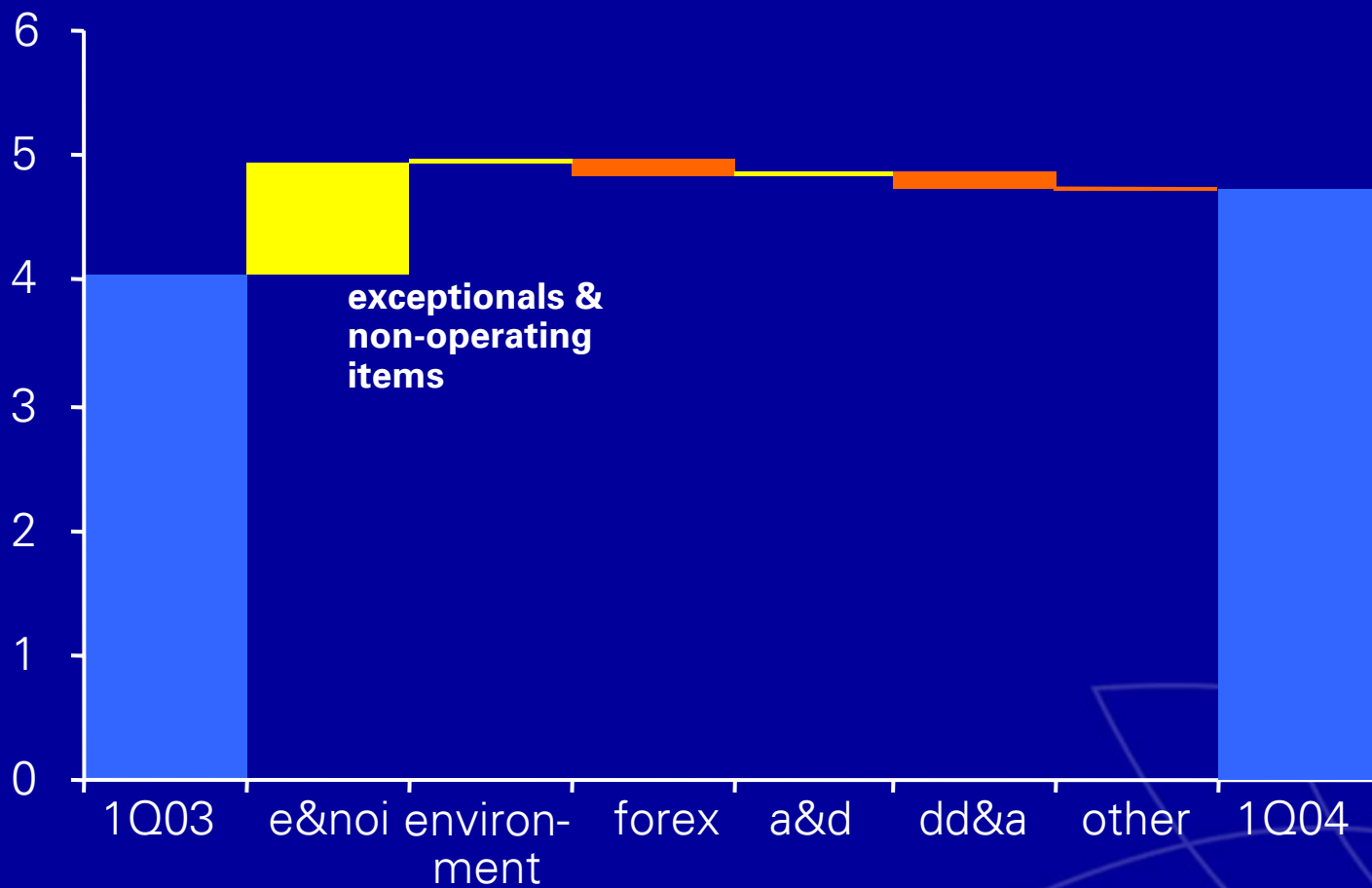
1Q04 vs 4Q03 result pro forma basis



1Q04 vs 1Q03 result pro forma basis



\$bn post-tax



TNK-BP



4Q03

1Q04

\$m impact on BP results

BP share of TNK-BP net income	278	219
deferred shares consideration accretion	(25)	(26)
impact on BP net income	253	193

production mboed	720	832
dividend received	297	262

- \$29m charge in 1Q relating to prior period
- Slavneft purchase completed January 16th for \$1.35bn net; contributed production of 89mboed and net income of \$31m

indicators of strategic progress exploration and production



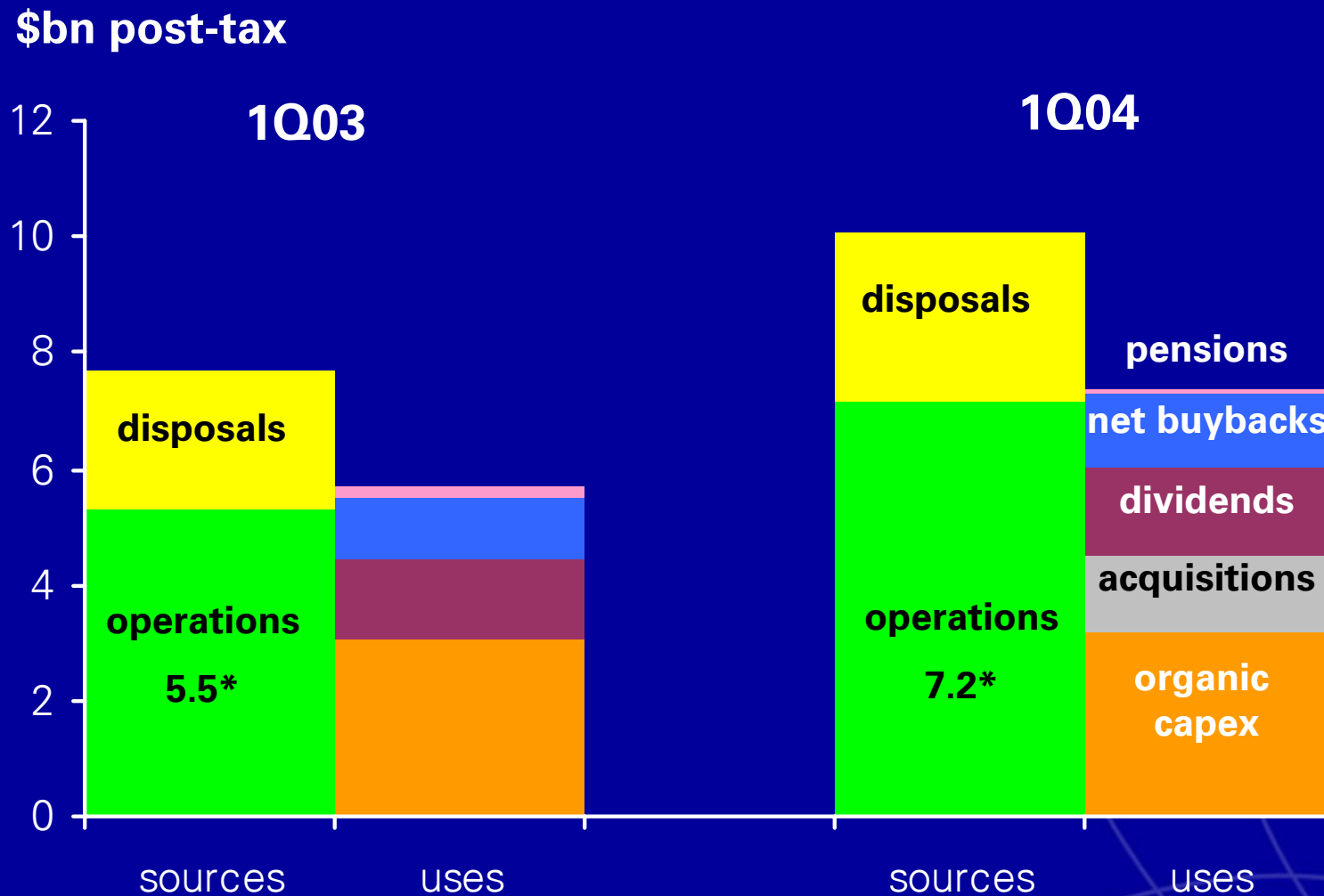
- exploration success continues
- major projects remain on track
- 1Q production 4015mboed
- full year expected production of over 4mmboed
- disposals in Canada and deepwater GoM



indicators of strategic progress customer facing businesses

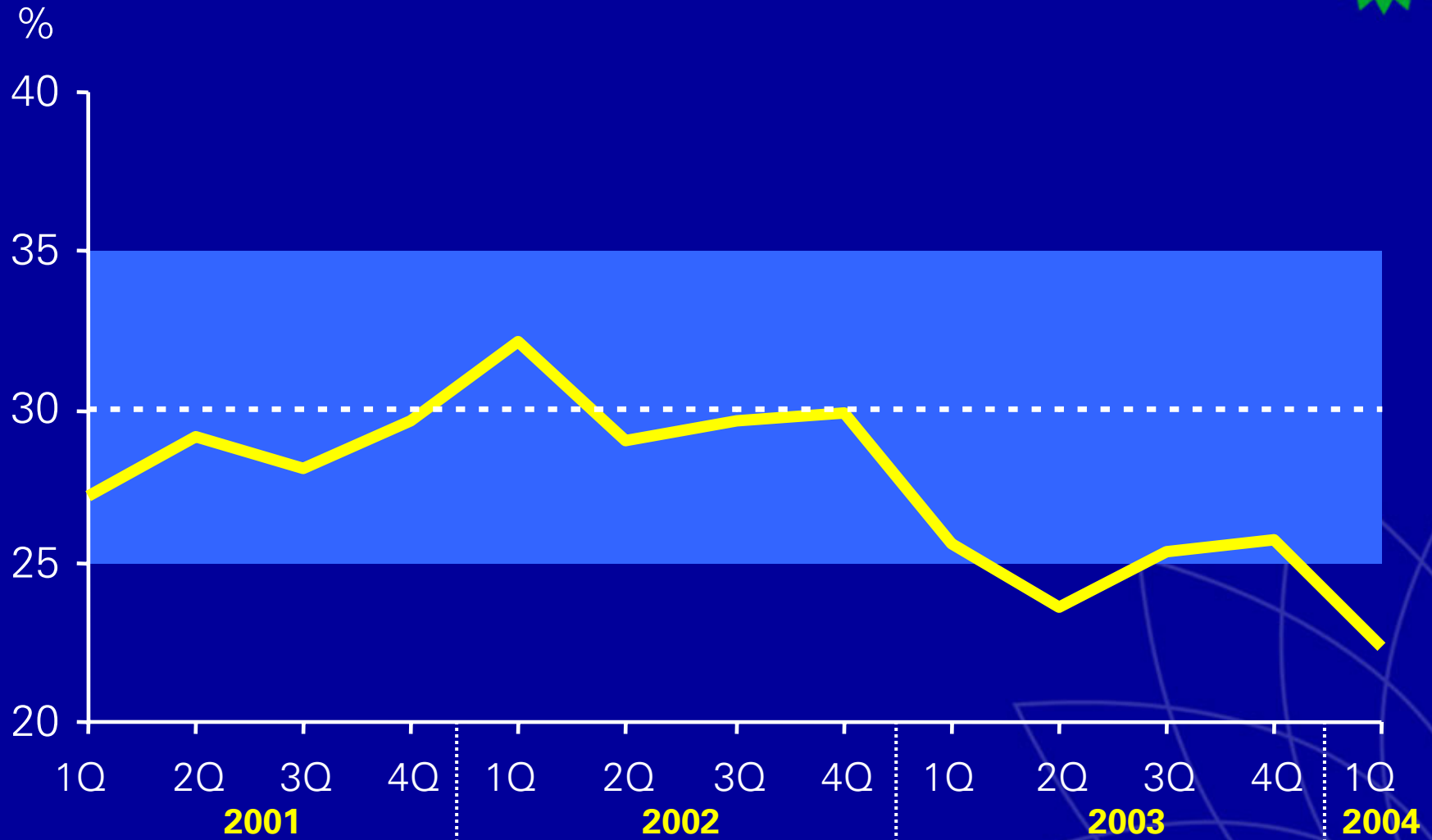
- refining and marketing
 - ▶ 95.1 % refining availability
 - ▶ shop sales up 4% & lubricants up 8% (like-for-like)
 - ▶ disposals: Singapore & Malaysia
- petrochemicals
 - ▶ higher asset utilisation
 - ▶ disposal: specialty intermediates
- gas, power and renewables
 - ▶ North American gas and NGL sales growth
 - ▶ equity gas into LNG plants up 25%

sources and uses of cash



* post-tax adjusted operating cash flow before discretionary pension contributions of \$(0.1)bn in 1Q04 and \$(0.2)bn in 1Q03

gearing



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

q&a session



Byron Grote

chief financial officer

Fergus MacLeod

investor relations



bp

