BP PLC
Form 6-K
February 04, 2014
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of

the Securities Exchange Act of 1934

for the period ended 31 December 2013

Commission File Number 1-06262

BP p.l.c.

(Translation of registrant s name into English)

1 ST JAMES S SQUARE, LONDON, SW1Y 4PD, ENGLAND

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F x Form 40-F ¨

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ¨

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ¨

THIS REPORT ON FORM 6-K SHALL BE DEEMED TO BE INCORPORATED BY REFERENCE IN THE PROSPECTUS INCLUDED IN POST-EFFECTIVE AMENDMENT NO. 2 TO THE REGISTRATION STATEMENT ON FORM F-3 (FILE NO. 333-179953) OF BP CAPITAL MARKETS p.l.c. AND BP p.l.c.; THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-79399) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-67206) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-103924) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-123482) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-123483) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-131583) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-131584) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-132619) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-146868) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-146870) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-146873) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-149778) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-173136) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-177423) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-179406) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-186462) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-186463) OF BP p.l.c., AND TO BE A PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS FURNISHED, TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED.

Table of Contents

BP p.l.c. AND SUBSIDIARIES

FORM 6-K FOR THE PERIOD ENDED 31 DECEMBER 2013(a)

(a) In this Form 6-K, references to the full year 2013 and full year 2012 refer to the full year periods ended 31 December 2013 and 31 December 2012 respectively. References to fourth quarter 2013 and fourth quarter 2012 refer to the three-month periods ended 31 December 2013 and 31 December 2012 respectively.

(b) This discussion should be read in conjunction with the consolidated financial statements and related notes provided elsewhere in this Form 6-K and with the information, including the consolidated financial statements and related notes, in BP s Annual Report on Form 20-F for the year ended 31 December 2012.

Table of Contents

Group results fourth quarter and year end 2013

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
1,488	**1,042**	Profit for the period(a)	**23,451**	11,017
521	**465**	Inventory holding (gains) losses, net of tax	**230**	411
2,009	**1,507**	Replacement cost profit(b)	**23,681**	11,428
1,843	**1,302**	Net (favourable) unfavourable impact of non-operating items and fair value accounting effects, net of tax(c)	**(10,253)**	5,643
3,852	**2,809**	Underlying replacement cost profit(b)	**13,428**	17,071
7.80	**5.57**	Profit per ordinary share (cents)	**123.87**	57.89
0.47	**0.33**	Profit per ADS (dollars)	**7.43**	3.47
10.53	**8.06**	Replacement cost profit per ordinary share (cents)	**125.08**	60.05
0.63	**0.48**	Replacement cost profit per ADS (dollars)	**7.50**	3.60
20.19	**15.02**	Underlying replacement cost profit per ordinary share (cents)	**70.92**	89.70
1.21	**0.90**	Underlying replacement cost profit per ADS (dollars)	**4.26**	5.38

BP s profit for the fourth quarter and full year was $1,042 million and $23,451 million respectively, compared with $1,488 million and $11,017 million for the same periods in 2012. BP s fourth-quarter replacement cost (RC) profit was $1,507 million, compared with $2,009 million for the same period in 2012. After adjusting for a net charge for non-operating items of $1,003 million and net unfavourable fair value accounting effects of $299 million (both on a post-tax basis), underlying RC profit for the fourth quarter was $2,809 million, compared with $3,852 million for the same period in 2012 with the reduction mainly arising due to lower profits in Upstream and Downstream which were partially offset by higher earnings from Rosneft compared with the earnings we reported for TNK-BP in the equivalent quarter of 2012(d). For the full year, RC profit was $23,681 million, compared with $11,428 million in 2012. After adjusting for a net gain for non-operating items of $10,533 million and net unfavourable fair value accounting effects of $280 million (both on a post-tax basis), underlying RC profit for the full year was $13,428 million, compared with $17,071 million for 2012. RC profit or loss for the group, underlying RC profit or loss and fair value accounting effects are non-GAAP measures and further information is provided on pages 5, 21 and 23.

All amounts relating to the Gulf of Mexico oil spill have been treated as non-operating items, with a net adverse impact on a pre-tax basis of $189 million for the quarter and $469 million for the full year. For further information on the Gulf of Mexico oil spill and its consequences, including information on utilization of the Deepwater Horizon Oil Spill Trust fund, see page 14 and Note 2 on pages 27 33. Information on the Gulf of Mexico oil spill is also included in Legal proceedings on pages 37 39.

Including the impact of the Gulf of Mexico oil spill, net cash provided by operating activities for the quarter and full year was $5.4 billion and $21.1 billion respectively, compared with $6.4 billion and $20.5 billion in the same periods of 2012. Excluding amounts related to the Gulf of Mexico oil spill, net cash provided by operating activities for the fourth quarter and full year was $5.3 billion and $21.2 billion respectively, compared with $5.8 billion and $22.9 billion in the same periods of 2012. We expect to see net cash provided by operating activities of between $30 billion and $31 billion in 2014(e), consistent with the cash flow objectives we set in 2011 as part of our 10-point plan.

Gross debt at the end of the quarter was $48.2 billion compared with $48.8 billion at the end of 2012. The ratio of gross debt to gross debt plus equity was 27.0%, compared with 29.0% at the end of 2012. Net debt at the end of the quarter was $25.2 billion, compared with $27.5 billion at the end of 2012. The ratio of net debt to net debt plus equity at the end of the quarter was 16.2% compared with 18.7% at the end of 2012. We will continue to target a net debt ratio in the 10-20% range, while uncertainties remain. Net debt and the ratio of net debt to net debt plus equity are non-GAAP measures. See page 6 for more information.

The reserves replacement ratio on a combined basis of subsidiaries and equity-accounted entities, was 129%(f) for the year, excluding the impact of acquisitions and disposals. The reserves replacement ratio for BP subsidiaries only was 105% for the same period.

BP today announced a quarterly dividend of 9.5 cents per ordinary share ($0.57 per ADS), which is expected to be paid on 28 March 2014. The corresponding amount in sterling will be announced on 17 March 2014. See page 6 for further information.

(a) Profit attributable to BP shareholders.
(b) See page 5 for definitions of RC profit and underlying RC profit.
(c) See pages 22 and 23 respectively for further information on non-operating items and fair value accounting effects.
(d) Fourth quarter 2012 included 21 days of earnings for TNK-BP, for the period 1 October to 21 October, at which point equity accounting for TNK-BP ceased as it was classified as held for sale.
(e) Assumes $100/bbl oil and $5/mmBtu Henry Hub gas. The projection includes BP s estimate of the Rosneft dividend and the impact of payments in respect of federal criminal and securities claims with the US government and Securities and Exchange Commission where settlements have already been reached, but does not reflect any cash flows relating to other liabilities, contingent liabilities, settlements or contingent assets arising from the Gulf of Mexico oil spill, which may or may not arise at that time.
(f) Includes BP s share of TNK-BP s production and reserves additions from 1 January 2013 to 20 March 2013, and BP s share of Rosneft production and reserves additions from 21 March 2013 to 31 December 2013.

The commentaries above and following should be read in conjunction with the cautionary statement on page 40.

3

Table of Contents

Group headlines (continued)

Total capital expenditure for the fourth quarter was $7.2 billion, of which organic capital expenditure(a) was $7.1 billion. For the full year, total capital expenditure was $36.6 billion (including the Rosneft transaction), of which organic capital expenditure was $24.6 billion. In 2014, we expect organic capital expenditure to be around $24 billion to $25 billion. Disposal proceeds received in cash were $0.4 billion for the quarter and $22.0 billion for the full year. In October 2013, BP announced plans to divest a further $10 billion of assets before the end of 2015. BP has agreed around $1.7 billion of such further divestments to date.

The effective tax rate (ETR) on the profit for the fourth quarter and full year was 8% and 21% respectively, compared with 53% and 38% for the same periods in 2012. The ETR on RC profit for the fourth quarter was 15% compared with 49% for the same period in 2012. For the full year the ETR on RC profit was 21% compared with 38% in 2012. Adjusting for non-operating items and fair value accounting effects, the underlying ETR in the fourth quarter was 24% compared with 16% for the same period in 2012. The underlying ETR was higher in the fourth quarter of 2013 mainly due to the absence of a number of one-off items which reduced the ETR in the fourth quarter of 2012. For the full year the underlying ETR was 35% compared with 30% in 2012, the underlying ETR was higher in 2013 mainly due to foreign exchange effects on deferred tax. For 2014 the underlying ETR is expected to be around 35%.

Finance costs and net finance expense relating to pensions and other post-retirement benefits were a charge of $378 million for the fourth quarter, compared with $467 million for the same period in 2012. For the full year, the respective amounts were $1,548 million and $1,638 million.

As at 31 December 2013, BP had bought back 753 million shares for a total amount of $5.5 billion, including fees and stamp duty, since the announcement on 22 March 2013 of a share repurchase programme with a total value of up to $8 billion expected to be fulfilled over 12 18 months from the date of the announcement.

Total production for the fourth quarter, including Rosneft, was 3.2 million barrels of oil equivalent per day. BP s share of Rosneft production in the fourth quarter was 985 thousand barrels of oil equivalent per day.

The charge for depreciation, depletion and amortization was $13.5 billion in 2013 and we expect this to be around $1 billion higher in 2014. The expected increase reflects the expected ramp-up of production from new upstream projects, as well as the full-year impact of the Whiting refinery modernization project.

(a) Organic capital expenditure excludes acquisitions, asset exchanges, and other inorganic capital expenditure. See page 20 for further information.

4

Table of Contents

Analysis of RC profit before interest and tax

and reconciliation to profit for the period

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
		RC profit before interest and tax		
7,688	**2,537**	Upstream	**16,657**	22,491
1,329	**(360)**	Downstream	**2,919**	2,864
575		TNK-BP(a)	**12,500**	3,373
	1,058	Rosneft(b)	**2,153**	
(505)	**(605)**	Other businesses and corporate	**(2,319)**	(2,794)
(4,126)	**(179)**	Gulf of Mexico oil spill response(c)	**(430)**	(4,995)
(428)	**(240)**	Consolidation adjustment - UPII(d)	**579**	(576)
4,533	**2,211**	RC profit before interest and tax	**32,059**	20,363
(467)	**(378)**	Finance costs and net finance expense relating to pensions and other post-retirement benefits	**(1,548)**	(1,638)
(1,995)	**(270)**	Taxation on a RC basis	**(6,523)**	(7,063)
(62)	**(56)**	Non-controlling interests	**(307)**	(234)
2,009	**1,507**	RC profit attributable to BP shareholders	**23,681**	11,428
(766)	**(634)**	Inventory holding gains (losses)	**(290)**	(594)
245	**169**	Taxation (charge) credit on inventory holding gains and losses	**60**	183
1,488	**1,042**	Profit for the period attributable to BP shareholders	**23,451**	11,017

(a) BP ceased equity accounting for its share of TNK-BP s earnings from 22 October 2012. See Note 3 on page 33 for further information.
(b) BP s investment in Rosneft is accounted under the equity method from 21 March 2013. See page 12 for further information.
(c) See Note 2 on pages 27 33 for further information on the accounting for the Gulf of Mexico oil spill response.
(d) Unrealized profit in inventory arising on inter-segment transactions.

Replacement cost (RC) profit or loss reflects the replacement cost of supplies and is arrived at by excluding inventory holding gains and losses from profit or loss. RC profit or loss is the measure of profit or loss for each operating segment that is required to be disclosed under International Financial Reporting Standards (IFRS). RC profit or loss for the group is not a recognized GAAP measure. See page 21 for further information on RC profit or loss.

Analysis of underlying RC profit before interest and tax

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
		Underlying RC profit before interest and tax		
4,375	**3,852**	Upstream	**18,265**	19,436
1,394	**70**	Downstream	**3,632**	6,463
224		TNK-BP		3,127
	1,087	Rosneft	**2,198**	
(448)	**(614)**	Other businesses and corporate	**(1,898)**	(1,996)
(428)	**(240)**	Consolidation adjustment UPII	**579**	(576)
5,117	**4,155**	Underlying RC profit before interest and tax	**22,776**	26,454
(461)	**(368)**	Finance costs and net finance expense relating to pensions and other post-retirement benefits	**(1,509)**	(1,619)
(742)	**(922)**	Taxation on an underlying RC basis	**(7,532)**	(7,530)
(62)	**(56)**	Non-controlling interests	**(307)**	(234)
3,852	**2,809**	Underlying RC profit attributable to BP shareholders	**13,428**	17,071

Underlying RC profit or loss is RC profit or loss after adjusting for non-operating items and fair value accounting effects. Underlying RC profit or loss and fair value accounting effects are not recognized GAAP measures. On pages 22 and 23 respectively, we provide additional information on the non-operating items and fair value accounting effects that are used to arrive at underlying RC profit or loss in order to enable a full understanding of the events and their financial impact.

Reconciliations of underlying RC profit or loss to the nearest equivalent IFRS measure are provided on page 3 for the group and on pages 8 13 for the segments.

BP believes that underlying RC profit or loss is a useful measure for investors because it is a measure closely tracked by management to evaluate BP s operating performance and to make financial, strategic and operating decisions and because it may help investors to understand and evaluate, in the same manner as management, the underlying trends in BP s operational performance on a comparable basis, period on period, by adjusting for the effects of these non-operating items and fair value accounting effects.

Table of Contents

Per share amounts

Fourth quarter 2012	Fourth quarter 2013		Year 2013	Year 2012
		Per ordinary share (cents)		
7.80	**5.57**	Profit for the period	**123.87**	57.89
10.53	**8.06**	RC profit for the period	**125.08**	60.05
20.19	**15.02**	Underlying RC profit for the period	**70.92**	89.70
		Per ADS (dollars)		
0.47	**0.33**	Profit for the period	**7.43**	3.47
0.63	**0.48**	RC profit for the period	**7.50**	3.60
1.21	**0.90**	Underlying RC profit for the period	**4.26**	5.38

The amounts shown above are calculated based on the basic weighted average number of shares outstanding. See Note 6 on page 35 for details of the calculation of earnings per share.

Net debt ratio net debt: net debt + equity

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
48,800	**48,192**	Gross debt	**48,192**	48,800
1,700	**477**	Less: fair value asset of hedges related to finance debt	**477**	1,700
47,100	**47,715**		**47,715**	47,100
19,635	**22,520**	Less: cash and cash equivalents	**22,520**	19,635
27,465	**25,195**	Net debt	**25,195**	27,465
119,752	**130,407**	Equity	**130,407**	119,752
18.7%	**16.2%**	Net debt ratio	**16.2%**	18.7%

See Note 7 on page 36 for further details on finance debt.

Net debt and net debt ratio are non-GAAP measures. Net debt includes the fair value of associated derivative financial instruments that are used to hedge foreign exchange and interest rate risks relating to finance debt, for which hedge accounting is claimed. The derivatives are reported on the balance sheet within the headings Derivative financial instruments . We believe that net debt and net debt ratio provide useful information to investors. Net debt enables investors to see the economic effect of gross debt, related hedges and cash and cash equivalents in total. The net debt ratio enables investors to see how significant net debt is relative to equity from shareholders.

Dividends

Dividends payable

BP today announced a dividend of 9.5 cents per ordinary share expected to be paid in March. The corresponding amount in sterling will be announced on 17 March 2014, calculated based on the average of the market exchange rates for the four dealing days commencing on 11 March 2014. Holders of American Depositary Shares (ADSs) will receive $0.57 per ADS. The dividend is due to be paid on 28 March 2014 to shareholders and ADS holders on the register on 14 February 2014. A scrip dividend alternative is available, allowing shareholders to elect to receive their dividend in the form of new ordinary shares and ADS holders in the form of new ADSs. Details of the fourth-quarter dividend and timetable are available at *bp.com/dividends* and details of the scrip dividend programme are available at *bp.com/scrip*.

Dividends paid

Fourth quarter 2012	Fourth quarter 2013		Year 2013	Year 2012
		Dividends paid per ordinary share		
9.000	**9.500**	cents	**36.500**	33.000
5.589	**5.801**	pence	**23.399**	20.852
54.00	**57.00**	Dividends paid per ADS (cents)	**219.00**	198.00
		Scrip dividends		
72.7	**78.1**	Number of shares issued (millions)	**202.1**	138.4
498	**602**	Value of shares issued ($ million)	**1,470**	982

Table of Contents

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7

Table of Contents

Upstream

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
7,692	**2,540**	Profit before interest and tax	**16,661**	22,387
(4)	**(3)**	Inventory holding (gains) losses	**(4)**	104
7,688	**2,537**	RC profit before interest and tax	**16,657**	22,491
(3,313)	**1,315**	Net (favourable) unfavourable impact of non-operating items and fair value accounting effects	**1,608**	(3,055)
4,375	**3,852**	Underlying RC profit before interest and tax[(a)]	**18,265**	19,436

(a) See page 5 for information on underlying RC profit and see page 9 for a reconciliation to segment RC profit before interest and tax by region.

The replacement cost profit before interest and tax for the fourth quarter and full year was $2,537 million and $16,657 million respectively, compared with $7,688 million and $22,491 million for the same periods in 2012. The fourth quarter and full year included net non-operating charges of $1,201 million and $1,364 million respectively. These primarily related to an $845-million write-off attributable to block BM-CAL-13 offshore Brazil as a result of the Pitanga exploration well not encountering commercial quantities of oil or gas, and impairment charges. For the full year, these charges were partly offset by fair value gains on embedded derivatives and disposal gains. In 2012, there were net non-operating gains of $3,346 million in the fourth quarter and $3,189 million for the full year. Fair value accounting effects in the fourth quarter and full year 2013 had unfavourable impacts of $114 million and $244 million respectively, compared with unfavourable impacts of $33 million and $134 million in the same periods of 2012.

After adjusting for non-operating items and fair value accounting effects, the underlying replacement cost profit before interest and tax for the fourth quarter and full year was $3,852 million and $18,265 million respectively, compared with $4,375 million and $19,436 million for the same periods in 2012. The result for the fourth quarter reflected higher costs, including exploration write-offs and higher depreciation, depletion and amortization, lower production due to divestments and lower liquids realizations partly offset by an increase in underlying volumes, a one-off benefit to production taxes as a result of fiscal relief allowing immediate deduction of past costs, stronger gas marketing and trading results and higher gas realizations. In addition to these factors, the full year reflected a one-off benefit in the third quarter resulting from the US Federal Energy Regulatory Commission s approval of cost pooling settlements between the owners of the Trans Alaska Pipeline System.

Production for the quarter was 2,246mboe/d, 1.9% lower than the fourth quarter of 2012. After adjusting for the effects of divestments and entitlement impacts in our production-sharing agreements (PSAs), underlying production increased by 3.7%. This primarily reflects new major project volumes in the North Sea, Angola and the Gulf of Mexico. For the full year, production was 2,256mboe/d, 2.7% lower than in 2012. After adjusting for the effects of divestments and entitlement impacts in our PSAs, underlying production for the full year was 3.2% higher than in 2012.

Reported production for the full year 2014 is expected to be lower than 2013 mainly due to the expiry of the Abu Dhabi onshore concession, with an impact of around 140mboe/d, and the effect of divestments. The actual reported outcome will depend on the exact timing of project start-ups, divestments, OPEC quotas and entitlement impacts in our PSAs. After adjusting for the effects of the concession expiry, divestments and entitlement impacts in our PSAs, we expect full-year underlying production in 2014 to increase compared with 2013. We expect first-quarter 2014 reported production to be lower than the fourth quarter of 2013, primarily reflecting the Abu Dhabi concession expiry in January and the impact of divestments.

In December, the government of the Sultanate of Oman and BP signed a gas sales agreement and an amended PSA for the development of the Khazzan field, with BP as operator. The Khazzan project represents the first phase in the development of one of the Middle East region s largest unconventional tight gas accumulations.

In Azerbaijan, the Shah Deniz consortium announced the final investment decision (FID) for the Stage 2 development of the Shah Deniz gas field in the Caspian Sea. SOCAR and the Shah Deniz partners also agreed terms for extending the Shah Deniz PSA up to 2048 and, coincident with the FID, BP agreed to purchase 3.3% equity in Shah Deniz and the South Caucasus Pipeline from Statoil, subject to conditions that are expected to be satisfied in 2014.

Also in December, we announced an oil discovery at the Gila prospect, our third significant Paleogene discovery in the deepwater Gulf of Mexico. We now have 10 drilling rigs in the deepwater Gulf of Mexico, a company record, as we continue to develop our strong portfolio of assets in this key US offshore basin.

In Brazil, the Pitu oil discovery on Block BM-POT-17 in the frontier deepwater of the Potiguar basin was announced by Petrobras. BP s farm-in to a 40% interest in this block is subject to final regulatory approval. In Angola, the Lontra oil and gas discovery announced by Cobalt International Energy, Inc. in October, was followed by a successful drill-stem test in December.

In the North Sea, BP was awarded 14 licences in the 27th UK Offshore Oil and Gas Licensing Round, subject to final government approval. Furthermore, the government of Greenland granted a consortium comprising ENI, BP, DONG and NUNAOIL a licence in the Amaroq block in the Greenland Sea.

After the end of the quarter, the Azerbaijan International Operating Company, operated by BP, announced the start-up of oil production from the West Chirag platform in the Azerbaijan sector of the Caspian Sea. This completes the Chirag oil project sanctioned in 2010.

The commentary above contains forward-looking statements and should be read in conjunction with the cautionary statement on page 40.

Table of Contents

Upstream

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
		Underlying RC profit before interest and tax		
827	**1,091**	US	**4,001**	3,854
3,548	**2,761**	Non-US	**14,264**	15,582
4,375	**3,852**		**18,265**	19,436
		Non-operating items		
3,992	**(3)**	US	**58**	3,131
(646)	**(1,198)**	Non-US	**(1,422)**	58
3,346	**(1,201)**		**(1,364)**	3,189
		Fair value accounting effects(a)		
(29)	**(112)**	US	**(269)**	(67)
(4)	**(2)**	Non-US	**25**	(67)
(33)	**(114)**		**(244)**	(134)
		RC profit before interest and tax		
4,790	**976**	US	**3,790**	6,918
2,898	**1,561**	Non-US	**12,867**	15,573
7,688	**2,537**		**16,657**	22,491
		Exploration expense		
139	**126**	US(b)	**438**	649
170	**2,048**	Non-US(c)	**3,003**	826
309	**2,174**		**3,441**	1,475
		Production (net of royalties)(d)		
		Liquids (mb/d)(e)		
402	**392**	US	**363**	390
100	**97**	Europe	**96**	109
670	**712**	Rest of World	**718**	680
1,172	**1,201**		**1,176**	1,179
282	**292**	Of which equity-accounted entities	**297**	284

		Natural gas (mmcf/d)		
1,593	**1,507**	US	**1,539**	1,651
371	**190**	Europe	**237**	422
4,521	**4,360**	Rest of World	**4,483**	4,536
6,484	**6,057**		**6,259**	6,609
422	**411**	Of which equity-accounted entities	**407**	416
		Total hydrocarbons (mboe/d)(f)		
676	**652**	US	**628**	675
164	**130**	Europe	**137**	182
1,449	**1,464**	Rest of World	**1,491**	1,462
2,290	**2,246**		**2,256**	2,319
355	**363**	Of which equity-accounted entities	**368**	355
		Average realizations(g)		
100.00	**98.26**	Total liquids ($/bbl)	**99.24**	102.10
5.03	**5.49**	Natural gas ($/mcf)	**5.35**	4.75
62.38	**65.04**	Total hydrocarbons ($/boe)	**63.58**	61.86

(a) These effects represent the favourable (unfavourable) impact relative to management s measure of performance. Further information on fair value accounting effects is provided on page 23.
(b) Full year 2012 includes $308 million classified within the other category of non-operating items (see page 22).
(c) Fourth quarter and full year 2013 include an $845-million write-off relating to the value ascribed to block BM-CAL-13 offshore Brazil as part of the accounting for the acquisition of upstream assets from Devon Energy in 2011 and $216 million of costs relating to the Pitanga exploration well, which was drilled in this block and did not encounter commercial quantities of oil or gas. The $845-million write-off has been classified in the other category of non-operating items (see page 22). Exploration expense also includes the write-off of costs relating to the Risha concession in Jordan as our exploration activities did not establish the technical basis for a development project in the concession.
(d) Includes BP s share of production of equity-accounted entities in the Upstream segment.
(e) Crude oil and natural gas liquids.
(f) Natural gas is converted to oil equivalent at 5.8 billion cubic feet = 1 million barrels.
(g) Based on sales of consolidated subsidiaries only this excludes equity-accounted entities.

Because of rounding, some totals may not agree exactly with the sum of their component parts.

9

Table of Contents

Downstream

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
564	**(840)**	Profit (loss) before interest and tax	**2,725**	2,377
765	**480**	Inventory holding (gains) losses	**194**	487
1,329	**(360)**	RC profit (loss) before interest and tax	**2,919**	2,864
65	**430**	Net (favourable) unfavourable impact of non-operating items and fair value accounting effects	**713**	3,599
1,394	**70**	Underlying RC profit before interest and tax(a)	**3,632**	6,463

(a) See page 5 for information on underlying RC profit and see page 11 for a reconciliation to segment RC profit before interest and tax by region and by business.

The replacement cost result before interest and tax was a loss of $360 million for the fourth quarter and a profit of $2,919 million for the full year. This compares with a replacement cost profit before interest and tax of $1,329 million and $2,864 million for the same periods in 2012.

The 2013 results included net non-operating charges of $74 million for the fourth quarter and $535 million for the full year, compared with $73 million and $3,172 million for the same periods in 2012 (see pages 11 and 22 for further information on non-operating items). The charge for the quarter principally reflects disposal activity, and for the full year, impairment charges, both relating to our fuels business. Fair value accounting effects had unfavourable impacts of $356 million for the fourth quarter and $178 million for the full year, compared with a favourable impact of $8 million for the fourth quarter and an unfavourable impact of $427 million for the full year in 2012. The main driver of the impact in the fourth quarter is the increase in the fair value of pipeline and storage capacity contracts which are reflected in management s internal measure of performance but are not recognized under IFRS. See page 23 for further information.

After adjusting for non-operating items and fair value accounting effects, the underlying replacement cost profit before interest and tax for the fourth quarter and full year was $70 million and $3,632 million respectively, compared with $1,394 million and $6,463 million for the same periods in 2012, with the reduction in profit mainly arising in the fuels business.

Replacement cost profit before interest and tax for the fuels, lubricants and petrochemicals businesses is set out on page 11.

The fuels business experienced a challenging fourth quarter, reporting an underlying replacement cost loss before interest and tax of $204 million compared with a profit of $1,019 million for the same period in 2012. The benefit from strong Solomon availability in the quarter of 95.6%, the highest since 2004, and lower turnaround activity, was more than offset by the impacts of significantly weaker refining margins as well as a weak result from supply and trading. Also impacting the results were increased depreciation and start-up charges at our Whiting refinery related to the modernization project that was progressively commissioned during 2013 with the final major unit being brought onstream in December. In addition, the result was impacted by the absence of earnings from the divested Texas City and Carson refineries and associated marketing assets.

For the full year, the fuels business reported an underlying replacement cost profit of $2,230 million compared with $5,012 million for the same period in 2012. The principal factors driving this result were significantly weaker refining margins and the impacts of reduced throughput due to the planned crude unit outage at our Whiting refinery and commissioning of the new units. The result was also negatively impacted by the absence of earnings from the divested Texas City and Carson refineries. These impacts were partially offset by a significantly improved supply and trading contribution with especially strong performance in the first half of 2013, and lower overall turnaround activity during the year.

The lubricants business delivered an underlying replacement cost profit before interest and tax of $230 million in the fourth quarter and $1,272 million in the full year, compared with $329 million and $1,285 million in the same periods last year. The fourth-quarter result includes a restructuring charge associated with a transformation programme to improve competitiveness across our mature European business. In 2013, a significant share of the result is from our premium brands and positions in emerging markets where we are developing a strong base to capture further growth. In January 2014, BP announced that it has agreed to sell its specialist global aviation turbine oils business. The transaction, which is subject to regulatory and other approvals, is expected to be completed in the second quarter of 2014.

The petrochemicals business reported an underlying replacement cost profit before interest and tax of $44 million in the fourth quarter and $130 million in the full year, compared with $46 million and $166 million in the same periods of 2012. Margins and volumes continued to be under pressure in 2013 with oversupply in certain markets, partially offset by lower turnaround activity in the US and Europe.

Going forward, in 2014 we expect refining margins to improve somewhat from the particularly low levels seen in the fourth quarter of 2013, but that in general the fuels and petrochemicals environments will remain challenging. Additionally, we expect to see increased exposure to heavy crude differentials in the US as we ramp up heavy crude processing at the Whiting refinery.

The commentary above contains forward-looking statements and should be read in conjunction with the cautionary statement on page 40.

Table of Contents

Downstream

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
		Underlying RC profit (loss) before interest and tax - by region		
583	**(162)**	US	**1,123**	3,045
811	**232**	Non-US	**2,509**	3,418
1,394	**70**		**3,632**	6,463
		Non-operating items		
(96)	**(20)**	US	**(154)**	(2,846)
23	**(54)**	Non-US	**(381)**	(326)
(73)	**(74)**		**(535)**	(3,172)
		Fair value accounting effects[(a)]		
(9)	**(446)**	US	**(211)**	(441)
17	**90**	Non-US	**33**	14
8	**(356)**		**(178)**	(427)
		RC profit (loss) before interest and tax		
478	**(628)**	US	**758**	(242)
851	**268**	Non-US	**2,161**	3,106
1,329	**(360)**		**2,919**	2,864
		Underlying RC profit (loss) before interest and tax - by business[(b)(c)]		
1,019	**(204)**	Fuels	**2,230**	5,012
329	**230**	Lubricants	**1,272**	1,285
46	**44**	Petrochemicals	**130**	166
1,394	**70**		**3,632**	6,463
		Non-operating items and fair value accounting effects[(a)]		
(86)	**(430)**	Fuels	**(712)**	(3,609)
1		Lubricants	**2**	(9)
20		Petrochemicals	**(3)**	19
(65)	**(430)**		**(713)**	(3,599)
		RC profit (loss) before interest and tax[(b)(c)]		

933	**(634)**	Fuels	**1,518**	1,403
330	**230**	Lubricants	**1,274**	1,276
66	**44**	Petrochemicals	**127**	185
1,329	**(360)**		**2,919**	2,864
16.9	**11.0**	**BP average refining marker margin (RMM)** (\$/bbl)(d)	**15.4**	18.2
		Refinery throughputs (mb/d)		
1,325	**641**	US	**726**	1,310
732	**742**	Europe	**766**	751
293	**312**	Rest of World	**299**	293
2,350	**1,695**		**1,791**	2,354
95.0	**95.6**	**Refining availability** (%)(e)	**95.3**	94.8
		Marketing sales of refined products (mb/d)		
1,393	**1,179**	US	**1,282**	1,396
1,236	**1,189**	Europe	**1,237**	1,230
599	**603**	Rest of World	**565**	587
3,228	**2,971**		**3,084**	3,213
2,434	**2,504**	Trading/supply sales of refined products	**2,485**	2,444
5,662	**5,475**	Total sales volumes of refined products	**5,569**	5,657
		Petrochemicals production (kte)		
959	**993**	US	**4,264**	4,047
925	**952**	Europe(c)	**3,779**	3,927
1,500	**1,426**	Rest of World	**5,900**	6,753
3,384	**3,371**		**13,943**	14,727

(a) Fair value accounting effects represent the favourable (unfavourable) impact relative to management s measure of performance. For Downstream, these arise solely in the fuels business. Further information is provided on page 23.

(b) Segment-level overhead expenses are included in the fuels business result.

(c) BP s share of income from petrochemicals at our Gelsenkirchen and Mülheim sites in Germany is reported in the fuels business.

(d) The RMM is the average of regional indicator margins weighted for BP s crude refining capacity in each region. Each regional marker margin is based on product yields and a marker crude oil deemed appropriate for the region. 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. In 2013 BP updated the RMM methodology; prior periods have been restated.

(e) Refining availability represents Solomon Associates operational availability, which is defined as the percentage of the year that a unit is available for processing after subtracting the annualized time lost due to turnaround activity and all planned mechanical, process and regulatory maintenance downtime.

11

Table of Contents

Rosneft

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
	901	Profit before interest and tax(a)(b)	**2,053**	
	157	Inventory holding (gains) losses	**100**	
	1,058	RC profit before interest and tax(b)	**2,153**	
	29	Net charge (credit) for non-operating items	**45**	
	1,087	Underlying RC profit before interest and tax(b)(c)	**2,198**	

(a) BP s share of Rosneft s earnings after finance costs, taxation and non-controlling interests is included in the BP group income statement within profit before interest and taxation.
(b) Full year 2013 includes $5 million of foreign exchange losses arising on the dividend received. This amount is not reflected in the table below.
(c) See page 5 for information on underlying RC profit.

Following the completion of the sale and purchase agreements with Rosneft and Rosneftegaz on 21 March 2013, BP s investment in Rosneft is reported as a separate operating segment under IFRS. See Note 3 on page 33 for further information.

Replacement cost profit before interest and tax for the fourth quarter and full year was $1,058 million and $2,153 million respectively. The fourth-quarter and full-year results included non-operating charges of $29 million and $45 million respectively, mainly relating to impairment charges. After adjusting for non-operating items, the underlying replacement cost profit before interest and tax for the fourth quarter and full year was $1,087 million and $2,198 million respectively. The fourth quarter was favourably impacted by the finalization of BP s equity accounting for the year, and included certain adjustments to net income in respect of prior quarters. These effects were partially offset by adverse foreign exchange, duty lag effects and lower realizations.

The Rosneft segment result included equity-accounted earnings from Rosneft, representing BP s 19.75% shareholding in Rosneft. BP s share of the components of Rosneft s net income is shown in the table below. BP completed the exercise to determine the fair value of its share of Rosneft s assets and liabilities as at 21 March 2013, as required under IFRS, and the results of this exercise are reflected in the fourth quarter and full year 2013 reported amounts.

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
		Income statement (BP share)		
	1,062	Profit before interest and tax	**2,786**	

(116)	Finance costs	**(264)**
(97)	Taxation	**(422)**
52	Non-controlling interests	**(42)**
901	Net income	**2,058**
157	Inventory holding (gains) losses, net of tax	**100**
1,058	Net income on a RC basis	**2,158**
29	Net charge (credit) for non-operating items, net of tax	**45**
1,087	Net income on an underlying RC basis	**2,203**
	Cash flow statement	
	Dividends received	**456**

$ million	**31 December 2013**	**31 December 2012**
Balance sheet		
Investments in associates	**13,681**	

Fourth quarter 2012	**Fourth quarter 2013**		**Year 2013**	**Year 2012**
		Production (net of royalties) (BP share)(d)(e)		
	833	Liquids (mb/d)(f)	**650**	
	884	Natural gas (mmcf/d)	**617**	
	985	Total hydrocarbons (mboe/d)(g)	**756**	

(d) Information on BP s share of TNK-BP s production for comparative periods is provided on page 24.
(e) Full year 2013 reflects production for the period 21 March to 31 December, averaged over the full year.
(f) Liquids comprise crude oil, condensate and natural gas liquids.
(g) Natural gas is converted to oil equivalent at 5.8 billion cubic feet = 1 million barrels.

12

Table of Contents

Other businesses and corporate

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
(505)	**(605)**	Profit (loss) before interest and tax	**(2,319)**	(2,794)
		Inventory holding (gains) losses		
(505)	**(605)**	RC profit (loss) before interest and tax	**(2,319)**	(2,794)
57	**(9)**	Net charge (credit) for non-operating items	**421**	798
(448)	**(614)**	Underlying RC profit (loss) before interest and tax(a)	**(1,898)**	(1,996)
		Underlying RC profit (loss) before interest and tax(a)		
(291)	**(228)**	US	**(800)**	(859)
(157)	**(386)**	Non-US	**(1,098)**	(1,137)
(448)	**(614)**		**(1,898)**	(1,996)
		Non-operating items		
(54)	**(14)**	US	**(449)**	(782)
(3)	**23**	Non-US	**28**	(16)
(57)	**9**		**(421)**	(798)
		RC profit (loss) before interest and tax		
(345)	**(242)**	US	**(1,249)**	(1,641)
(160)	**(363)**	Non-US	**(1,070)**	(1,153)
(505)	**(605)**		**(2,319)**	(2,794)

(a) See page 5 for information on underlying RC profit or loss.

Other businesses and corporate comprises the Alternative Energy business, Shipping, Treasury (which includes interest income on the group s cash and cash equivalents), and corporate activities including centralized functions.

The replacement cost loss before interest and tax for the fourth quarter and full year was $605 million and $2,319 million respectively, compared with $505 million and $2,794 million for the same periods in 2012.

The fourth-quarter result included a net non-operating credit of $9 million, compared with a net charge of $57 million for the same period in 2012. For the full year, the net non-operating charge was $421 million, compared with $798 million for the same period in 2012.

After adjusting for non-operating items, the underlying replacement cost loss before interest and tax for the fourth quarter and full year was $614 million and $1,898 million respectively, compared with $448 million and $1,996 million for the same periods last year. The fourth-quarter 2012 result included certain one-off benefits in corporate costs that were not present in the fourth quarter 2013.

In Alternative Energy, net wind generation capacity(b) at the end of both 2013 and 2012 was 1,590MW (2,619MW gross). BP s net share of wind generation for the fourth quarter was 1,203GWh (2,106GWh gross), compared with 1,015GWh (1,678GWh gross) in the same period of 2012. For the full year, BP s net share was 4,203GWh (7,363GWh gross), compared with 3,587GWh (5,739GWh gross) in 2012.

In our biofuels business, we have three operating mills in Brazil where ethanol-equivalent production(c) for the fourth quarter was 129 million litres compared with 100 million litres in the same period of 2012. For the full year, ethanol-equivalent production was 492 million litres compared with 404 million litres a year ago.

In 2014, Other businesses and corporate average quarterly charges, excluding non-operating items, are expected to be in the range of $400 million to $500 million although this will fluctuate from quarter to quarter.

(b) Net wind generation capacity is the sum of the rated capacities of the assets/turbines that have entered into commercial operation, including BP s share of equity-accounted entities. The gross data is the equivalent capacity on a gross-JV basis, which includes 100% of the capacity of equity-accounted entities where BP has partial ownership. Capacity figures include 32MW in the Netherlands managed by our Downstream segment.
(c) Ethanol-equivalent production includes ethanol and sugar.

The commentary above contains forward-looking statements and should be read in conjunction with the cautionary statement on page 40.

Gulf of Mexico oil spill

BP continues to support completion of the operational clean-up response, facilitation of economic restoration through claims processes, and facilitation of environmental restoration through natural resource damage assessment and early restoration projects relating to the Gulf of Mexico oil spill.

Financial update

The replacement cost loss before interest and tax for the fourth quarter was $179 million, compared with a $4,126 million loss for the same period in 2012. The fourth-quarter charge reflects an increase in the provision for legal costs, as well as the ongoing costs of the Gulf Coast Restoration Organization. The cumulative pre-tax charge recognized to date amounts to $42.7 billion.

The cumulative income statement charge does not include amounts for obligations that BP considers are not possible, at this time, to measure reliably. The total amounts that will ultimately be paid by BP in relation to all the obligations relating to the incident are subject to significant uncertainty and the ultimate exposure and cost to BP will be dependent on many factors, as discussed under *Provisions and contingent liabilities* in Note 2 on page 29, including in relation to any new information or future developments. These could have a material impact on our consolidated financial position, results and cash flows. The risks associated with the incident could also heighten the impact of the other risks to which the group is exposed, as further described under Principal risks and uncertainties on pages 35 42 of our second-quarter 2013 results announcement.

Trust update

During the fourth quarter, $281 million was paid out of the Deepwater Horizon Oil Spill Trust (the Trust) and qualified settlement funds (QSFs), including $234 million for claims payments, administrative costs of the Deepwater Horizon Court Supervised Settlement Program (DHCSSP) and other resolved items, and $47 million for natural resource damage assessment. In addition, $72 million was paid out to claimants from the seafood compensation fund, for which the related provision and reimbursement asset had been previously derecognized upon funding of the QSF. As at 31 December 2013, the aggregate cash balances in the Trust and the QSFs amounted to $6.7 billion, including $1.2 billion remaining in the seafood compensation fund which is yet to be distributed, and $0.9 billion held for natural resource damage early restoration projects.

As at 31 December 2013, the cumulative charges to be paid from the Trust, and the associated reimbursement asset recognized, amounted to $19.3 billion. No amount is provided for business economic loss claims not yet received, processed, and paid by the DHCSSP. See Note 2 on pages 27 33 and Legal proceedings on pages 37 39 for further details.

Legal proceedings

Phase 2 of the Trial of Liability, Limitation, Exoneration and Fault Allocation in the multi-district litigation proceedings in federal District Court (the District Court) in New Orleans (MDL 2179) commenced on 30 September 2013 to consider the issues of source control efforts and the volume of oil spilled into the Gulf as a result of the incident. That phase completed on 18 October 2013 and post-trial briefing was completed on 24 January 2014. BP does not know when the District Court will rule on the issues presented in either this phase or the previous phase of that trial and the court could issue its decision at any time. The District Court has not yet scheduled a hearing on the subsequent phase regarding the application of statutory penalty factors.

On 4 November 2013, a panel of the US Court of Appeals for the Fifth Circuit (the Fifth Circuit) heard oral arguments in relation to appeals involving challenges to the final order and judgment that approved the Economic and Property Damages settlement (the EPD Settlement) and certified the class. On 10 January 2014, that panel of the Fifth Circuit issued its ruling upholding the approval of the settlement but left to another panel of the Fifth Circuit (the business economic loss panel) the question of how to interpret the EPD Settlement agreement, including the meaning of the causation requirements of that agreement. BP and several of the original appellants have filed petitions requesting that all the active judges of the Fifth Circuit review the decision to uphold the approval of the EPD Settlement.

There have been various rulings from the District Court and the business economic loss panel of the Fifth Circuit on matters relating to the interpretation of the EPD Settlement, in particular on the issue of matching of revenue and expenses as well as causation requirements of the EPD Settlement agreement.

On 24 December 2013, the District Court ruled on the issues in relation to the matching of revenue and expenses and causation under the EPD Settlement, that were remanded to it by the business economic loss panel of the Fifth Circuit. Regarding matching, the District Court reversed its earlier decision and ruled that the claims administrator, in administering business economic loss claims, must match revenue with the variable expenses incurred by claimants in conducting their business, even where the revenues and expenses were recorded at different times. The District Court assigned to the claims administrator the development of more detailed matching requirements. Regarding causation, the District Court ruled that the EPD Settlement agreement contained no causation requirement for class membership. The District Court maintained an injunction on business economic loss claims payments and offers pending further action by the Fifth Circuit. BP has appealed the District Court s ruling on causation to the business economic loss panel of the Fifth Circuit and has moved for a permanent injunction that would prevent the claims administrator from making awards to claimants whose alleged injuries are not traceable to the spill. The business economic loss panel has agreed to hear the appeal on an expedited basis.

For further details, see Legal proceedings on pages 37 39.

Table of Contents

Group income statement

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
93,910	**93,717**	Sales and other operating revenues (Note 4)	**379,136**	375,765
38	**101**	Earnings from joint ventures after interest and tax	**447**	260
322	**1,000**	Earnings from associates after interest and tax	**2,742**	3,675
1,129	**235**	Interest and other income	**777**	1,677
4,412	**43**	Gains on sale of businesses and fixed assets	**13,115**	6,697
99,811	**95,096**	Total revenues and other income	**396,217**	388,074
74,061	**74,960**	Purchases	**298,351**	292,774
12,240	**7,257**	Production and manufacturing expenses(a)	**27,527**	33,926
2,073	**1,491**	Production and similar taxes (Note 5)	**7,047**	8,158
3,248	**3,736**	Depreciation, depletion and amortization	**13,510**	12,687
828	**474**	Impairment and losses on sale of businesses and fixed assets	**1,961**	6,275
309	**2,174**	Exploration expense	**3,441**	1,475
3,389	**3,482**	Distribution and administration expenses	**13,070**	13,357
(104)	**(55)**	Fair value gain on embedded derivatives	**(459)**	(347)
3,767	**1,577**	Profit before interest and taxation	**31,769**	19,769
307	**255**	Finance costs(a)	**1,068**	1,072
160	**123**	Net finance expense relating to pensions and other post-retirement benefits	**480**	566
3,300	**1,199**	Profit before taxation	**30,221**	18,131
1,750	**101**	Taxation(a)	**6,463**	6,880
1,550	**1,098**	Profit for the period	**23,758**	11,251
		Attributable to		
1,488	**1,042**	BP shareholders	**23,451**	11,017
62	**56**	Non-controlling interests	**307**	234
1,550	**1,098**		**23,758**	11,251
		Earnings per share cents (Note 6)		
		Profit for the period attributable to BP shareholders		
7.80	**5.57**	Basic	**123.87**	57.89
7.75	**5.54**	Diluted	**123.12**	57.50

(a) See Note 2 for further details of the impact of the Gulf of Mexico oil spill on the income statement line items.

Table of Contents

Group statement of comprehensive income

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
1,550	**1,098**	Profit for the period	**23,758**	11,251
		Other comprehensive income		
		Items that may be reclassified subsequently to profit or loss		
246	**(177)**	Currency translation differences	**(1,608)**	538
(15)	**13**	Exchange gains (losses) on translation of foreign operations reclassified to gain or loss on sale of businesses and fixed assets	**22**	(15)
290		Available-for-sale investments marked to market	**(172)**	306
(1)		Available-for-sale investments reclassified to the income statement	**(523)**	(1)
1,439	**62**	Cash flow hedges marked to market(a)	**(2,000)**	1,466
3	**3**	Cash flow hedges reclassified to the income statement	**4**	62
7	**(8)**	Cash flow hedges reclassified to the balance sheet	**17**	19
13		Share of items relating to equity-accounted entities, net of tax	**(24)**	(39)
(245)	**(23)**	Income tax relating to items that may be reclassified	**147**	(170)
1,737	**(130)**		**(4,137)**	2,166
		Items that will not be reclassified to profit or loss		
(1,506)	**2,298**	Remeasurements of the net pension and other post-retirement benefit liability or asset	**4,764**	(1,625)
	2	Share of items relating to equity-accounted entities, net of tax	**2**	(6)
367	**(676)**	Income tax relating to items that will not be reclassified	**(1,521)**	440
(1,139)	**1,624**		**3,245**	(1,191)
598	**1,494**	Other comprehensive income	**(892)**	975
2,148	**2,592**	Total comprehensive income	**22,866**	12,226
		Attributable to		
2,088	**2,533**	BP shareholders	**22,574**	11,988
60	**59**	Non-controlling interests	**292**	238
2,148	**2,592**		**22,866**	12,226

(a) Full year 2013 includes $2,061 million loss (fourth quarter and full year 2012 $1,410 million gain) relating to the contracts to acquire Rosneft shares. See Note 3 for further information.

16

Table of Contents

Group statement of changes in equity

$ million	BP shareholders equity	Non-controlling interests	Total equity
At 1 January 2013	**118,546**	**1,206**	**119,752**
Total comprehensive income	**22,574**	**292**	**22,866**
Dividends	**(5,441)**	**(469)**	**(5,910)**
Repurchases of ordinary share capital	**(6,923)**		**(6,923)**
Share-based payments, net of tax	**473**		**473**
Share of equity-accounted entities changes in equity, net of tax	**73**		**73**
Transactions involving non-controlling interests		**76**	**76**
At 31 December 2013	**129,302**	**1,105**	**130,407**

$ million	BP shareholders equity	Non-controlling interests	Total equity
At 1 January 2012	111,568	1,017	112,585
Total comprehensive income	11,988	238	12,226
Dividends	(5,294)	(82)	(5,376)
Share-based payments, net of tax	284		284
Transactions involving non-controlling interests		33	33
At 31 December 2012	118,546	1,206	119,752

Table of Contents

Group balance sheet

$ million	31 December 2013	31 December 2012
Non-current assets		
Property, plant and equipment	**133,690**	125,331
Goodwill	**12,181**	12,190
Intangible assets	**22,039**	24,632
Investments in joint ventures	**9,199**	8,614
Investments in associates	**16,636**	2,998
Other investments	**1,565**	2,704
Fixed assets	**195,310**	176,469
Loans	**763**	642
Trade and other receivables	**5,985**	5,961
Derivative financial instruments	**3,509**	4,294
Prepayments	**922**	830
Deferred tax assets	**985**	874
Defined benefit pension plan surpluses	**1,376**	12
	208,850	189,082
Current assets		
Loans	**216**	247
Inventories	**29,231**	28,203
Trade and other receivables	**39,831**	37,611
Derivative financial instruments	**2,675**	4,507
Prepayments	**1,388**	1,091
Current tax receivable	**512**	456
Other investments	**467**	319
Cash and cash equivalents	**22,520**	19,635
	96,840	92,069
Assets classified as held for sale		19,315
	96,840	111,384
Total assets	**305,690**	300,466
Current liabilities		
Trade and other payables	**47,159**	46,673
Derivative financial instruments	**2,322**	2,658
Accruals	**8,960**	6,875
Finance debt	**7,381**	10,033

Current tax payable	**1,945**	2,503
Provisions	**5,045**	7,587
	72,812	76,329
Liabilities directly associated with assets classified as held for sale		846
	72,812	77,175
Non-current liabilities		
Other payables	**4,756**	2,292
Derivative financial instruments	**2,225**	2,723
Accruals	**547**	491
Finance debt	**40,811**	38,767
Deferred tax liabilities	**17,439**	15,243
Provisions	**26,915**	30,396
Defined benefit pension plan and other post-retirement benefit plan deficits	**9,778**	13,627
	102,471	103,539
Total liabilities	**175,283**	180,714
Net assets	**130,407**	119,752
Equity		
BP shareholders equity	**129,302**	118,546
Non-controlling interests	**1,105**	1,206
	130,407	119,752

Table of Contents

Condensed group cash flow statement

Fourth quarter 2012	Fourth quarter 2013	$ million	Year 2013	Year 2012
		Operating activities		
3,300	**1,199**	Profit before taxation	**30,221**	18,131
		Adjustments to reconcile profit before taxation to net cash provided by operating activities		
3,403	**5,633**	Depreciation, depletion and amortization and exploration expenditure written off	**16,220**	13,432
(3,584)	**431**			