

BP PLC
Form 6-K
July 24, 2007

Washington, D.C. 20549

Report of Foreign Issuer

for the period ended 24 July, 2007

1 ST JAMES'S SQUARE, LONDON, SW1Y 4PD, ENGLAND
(Address of principal executive offices)

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Yes	No	X

Second Quarter and Half Year 2007

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Second Quarter 2006	First Quarter 2007	Second Quarter 2007	\$ million		2007	First Half 2006
7,266	4,664	7,376	Profit for the period*		12,040	12,889
(1,148)	(303)	(1,289)	Inventory holding (gains) losses		(1,592)	(1,506)
6,118	4,361	6,087	Replacement cost profit		10,448	11,383
16.59	11.54	15.96	- per ordinary share (pence)		27.50	31.25
30.28	22.50	31.67	- per ordinary share (cents)		54.17	55.94
1.82	1.35	1.90	- per ADS (dollars)		3.25	3.36

- BP's second quarter replacement cost profit was \$6,087 million, compared with \$6,118 million a year ago, a decrease of 1%. For the half year, replacement cost profit was \$10,448 million compared with \$11,383 million, down 8%.
- The second quarter result included a net non-operating gain of \$741 million compared with a net non-operating gain of \$6 million in the second quarter of 2006. For the half year, the net non-operating gain was \$1,104 million compared with a net non-operating charge of \$11 million for the first half of 2006.
- Net cash provided by operating activities for the quarter and half year was \$6.1 billion and \$14.1 billion compared with \$9.1 billion and \$18.1 billion a year ago.
- The effective tax rate on replacement cost profit from continuing operations for both the second quarter and half year was 35%; the rate was 36% for the second quarter and first half of 2006.
- Net debt at the end of the quarter was \$21.1 billion. The ratio of net debt to net debt plus equity was 19% compared with 15% a year ago.
- Capital expenditure, excluding acquisitions and asset exchanges, was \$4.4 billion for the quarter and for the half year was \$8.0 billion. Total capital expenditure and acquisitions was \$4.7 billion for the quarter and \$9.5 billion for the half year. The half year included \$1.1 billion in respect of the acquisition of Chevron's Netherlands manufacturing company. Disposal proceeds were \$2.7 billion for the quarter and were \$3.7 billion for the half year.
- The quarterly dividend, to be paid in September, is 10.825 cents per share (\$0.6495 per ADS) compared with 9.825 cents per share a year ago. For the half year, the dividend showed an increase of 10%. In sterling terms, the quarterly dividend is 5.278 pence per share, compared with 5.324 pence per share a year ago; for the half year, the decrease was 1%. During the quarter, the company repurchased 176 million of its own shares for cancellation at a cost of \$2.0 billion. For the first half, share repurchases were 414 million at a cost of \$4.5 billion.
- Information on fair value accounting effects in relation to Refining

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and Marketing and Gas, Power and Renewables is set out on page 10.

* Profit attributable to BP shareholders.

The commentaries above and following are based on replacement cost profit and should be read in conjunction with the cautionary statement on page 11.

Analysis of Replacement Cost Profit and Reconciliation to Profit for the Period

Second Quarter 2006	First Quarter 2007	Second Quarter 2007	\$ million	First Quarter 2007
=====	=====	=====		=====
7,826	6,043	6,893	Exploration and Production	12,936
1,856	838	2,740	Refining and Marketing	3,578
453	206	190	Gas, Power and Renewables	396
(193)	(116)	(164)	Other businesses and corporate	(280)
(277)	83	(69)	Consolidation adjustment	14
-----	-----	-----		-----
9,665	7,054	9,590	RC profit before interest and tax	16,644
-----	-----	-----		-----
(107)	(171)	(155)	Finance costs and other finance income	(326)
(3,441)	(2,440)	(3,283)	Taxation	(5,723)
(77)	(82)	(65)	Minority interest	(147)
-----	-----	-----		-----
6,040	4,361	6,087	RC profit from continuing operations attributable to BP shareholders(a)	10,448
=====	=====	=====		=====
1,148	303	1,289	Inventory holding gains (losses) for continuing operations	1,592
-----	-----	-----		-----
7,188	4,664	7,376	Profit for the period from continuing operations attributable to BP shareholders	12,040
78	-	-	Profit (loss) for the period from Innovene operations(b)	-
-----	-----	-----		-----
7,266	4,664	7,376	Profit for the period attributable to BP shareholders	12,040
=====	=====	=====		=====
6,040	4,361	6,087	RC profit from continuing operations attributable to BP shareholders	10,448
78	-	-	RC profit (loss) from Innovene operations	-
-----	-----	-----		-----
6,118	4,361	6,087	Replacement cost profit	10,448
=====	=====	=====		=====

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- (a) Replacement cost profit reflects the current cost of supplies. The replacement cost profit for the period is arrived at by excluding from profit inventory holding gains and losses. BP uses this measure to assist investors to assess BP's performance from period to period. Replacement cost profit is not a recognized GAAP measure.
- (b) See further detail in Note 3.

Results include Non-operating Items

Second Quarter 2006	First Quarter 2007	Second Quarter 2007	\$ million	First 2007
479	748	399	Exploration and Production	1,147
(464)	(229)	767	Refining and Marketing	538
106	9	(36)	Gas, Power and Renewables	(27)
26	34	7	Other businesses and corporate	41
147	562	1,137		1,699
(53)	(199)	(396)	Taxation(a)	(595)
94	363	741	Continuing operations	1,104
(88)	-	-	Innovene operations	-
-	-	-	Taxation	-
6	363	741	Total for all operations	1,104

An analysis of non-operating items by type is provided on page 21.

- (a) Tax on non-operating items is calculated using the quarter's effective tax rate on replacement cost profit from continuing operations.

Per Share Amounts

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Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Ha 2007
=====				=====
			Results for the period (\$ million)	
7,266	4,664	7,376	Profit (a)	12,040
6,118	4,361	6,087	Replacement cost profit	10,448
-----				-----
			Shares in issue at period end	
19,993,613	19,290,540	19,133,973	(thousand) (b)	19,133,973
3,332,269	3,215,090	3,188,996	ADS equivalent (thousand) (b)	3,188,996
			Average number of shares outstanding	
20,171,546	19,384,508	19,186,461	(thousand) (b)	19,284,938
3,361,924	3,230,751	3,197,744	ADS equivalent (thousand) (b)	3,214,156
			Shares repurchased in the period	
375,744	237,916	175,806	(thousand)	413,722
			Per ordinary share (cents)	
35.94	24.06	38.37	Profit for the period	62.43
30.28	22.50	31.67	RC profit for the period	54.17
			Per ADS (cents)	
215.64	144.36	230.22	Profit for the period	374.58
181.68	135.00	190.02	RC profit for the period	325.02
-----				-----

(a) Profit attributable to BP shareholders.

(b) Excludes treasury shares.

Dividends

Dividends Payable

BP today announced a dividend of 10.825 cents per ordinary share to be paid in September. Holders of ordinary shares will receive 5.278 pence per share and holders of American Depositary Receipts (ADRs) \$0.6495 per ADS. The dividend is payable on 4 September to shareholders on the register on 10 August. 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 4 September.

Dividends Paid

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Ha 2007
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Dividends paid per ordinary share			
9.375	10.325	10.325	Cents
5.251	5.258	5.151	Pence
56.25	61.95	61.95	Dividends paid per ADS (cents)

Net Debt Ratio - Net Debt: Net Debt + Equity

Second Quarter 2006	First Quarter 2007	Second Quarter 2007	\$ million	First Ha 2007
19,286	23,728	23,754	Gross debt	23,754
4,852	1,956	2,643	Cash and cash equivalents	2,643
14,434	21,772	21,111	Net debt	21,111
82,356	85,749	89,423	Equity	89,423
15%	20%	19%	Net debt ratio	19%

Exploration and Production

Second Quarter 2006	First Quarter 2007	Second Quarter 2007	\$ million	First H 2007
7,827	6,054	6,894	Profit before interest and tax(a)	12,948
(1)	(11)	(1)	Inventory holding (gains) losses	(12)
7,826	6,043	6,893	Replacement cost profit before interest and tax	12,936
1,834	1,062	1,113	By region:	2,175
393	720	183	UK	903
2,254	1,652	2,038	Rest of Europe	3,690
3,345	2,609	3,559	US	6,168
7,826	6,043	6,893	Rest of World	12,936

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=====				=====	
			Results include:		
			Non-operating items		
386	145	187	UK		332
83	533	(2)	Rest of Europe		531
9	(8)	177	US		169
1	78	37	Rest of World		115
-----				-----	
479	748	399			1,147
=====				=====	
			Exploration expense		
-	20	7	UK		27
-	-	-	Rest of Europe		-
55	77	54	US		131
42	59	94	Rest of World		153
-----				-----	
97	156	155			311
=====				=====	
			Production (net of royalties) (b)		
			Liquids (mb/d) (net of royalties) (c)		
280	236	218	UK		227
64	59	43	Rest of Europe		52
565	526	532	US		529
1,622	1,625	1,656	Rest of World		1,640
-----				-----	
2,531	2,446	2,449			2,448
=====				=====	
			Natural gas (mmcf/d) (net of royalties)		
911	907	731	UK		818
83	41	22	Rest of Europe		32
2,493	2,163	2,165	US		2,164
5,138	5,391	4,941	Rest of World		5,165
-----				-----	
8,624	8,502	7,859			8,179
=====				=====	
			Total hydrocarbons (mboe/d) (d)		
437	393	344	UK		368
78	66	47	Rest of Europe		57
995	899	905	US		902
2,508	2,554	2,508	Rest of World		2,530
-----				-----	
4,018	3,912	3,804			3,857
=====				=====	
			Average realizations(e)		
62.86	53.43	62.58	Total liquids (\$/bbl)		57.96
4.44	4.86	4.45	Natural gas (\$/mcf)		4.66
44.58	41.06	44.97	Total hydrocarbons (\$/boe)		42.97
=====				=====	

(a) Profit from continuing operations and includes profit after interest and tax of equity-accounted entities.

(b) Includes BP's share of production of equity-accounted entities.

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- (c) Crude oil and natural gas liquids.
- (d) Natural gas is converted to oil equivalent at 5.8 billion cubic feet = 1 million barrels.
- (e) Based on sales of consolidated subsidiaries only - this excludes equity-accounted entities.
- (f) Because of rounding, some totals may not agree exactly with the sum of their component parts.

Exploration and Production

The replacement cost profit before interest and tax for the second quarter was \$6,893 million, a decrease of 12% from the second quarter of 2006. This result was impacted by lower reported volumes and higher costs, reflecting the continued impact of sector-specific inflation, increased integrity spend and higher depreciation charges associated primarily with the change to SEC guidelines for reserves reporting as well as increased decommissioning provisions. Net non-operating gains for the second quarter were \$399 million, mainly arising from net gains on the disposal of interests in the Permian, Entrada and Kaybob assets in North America and fair value gains on embedded derivatives relating to North Sea gas contracts, partially offset by an impairment charge related to the cancellation of the DF1 project in Scotland.

Reported production for the quarter was 3,804 mboe/d, down 5% compared with the second quarter of 2006. After adjusting for the effect of disposals and entitlement changes in our production sharing agreements, production for the quarter was down 1%. Full year production in 2007 is expected to be in the range of 3.8 to 3.9 mmboe/d, in line with the guidance provided earlier in the year.

The replacement cost profit before interest and tax of \$12,936 million for the half year represented a decrease of 12% over the same period of the previous year. This result was impacted by lower oil and gas realizations as well as lower reported volumes and higher costs, reflecting sector-specific inflation, increased integrity spend and higher depreciation charges. The half-year result included net non-operating gains of \$1,147 million.

Reported production for the half year was 3,857 mboe/d, 4% lower than in the first half of 2006. After adjusting for the effect of disposals and entitlement changes in our production-sharing agreements, production for the half year was broadly flat compared with the prior year.

During the quarter, we had first production from the Rosa project in Angola, where BP holds a 16.67% working interest. Also in Angola, we made our 14th discovery in Block 31 (Cordelia). Additionally, we announced the Isabela discovery in the deepwater Gulf of Mexico.

In May, we signed agreements with Occidental Petroleum Corporation to dispose of our 100% interest in the West Texas pipeline system and our interests in non-core Permian assets in the US. In exchange, BP acquired a 42% interest in the Badin field in Pakistan and a 33 1/3% interest in Horn Mountain in the deepwater Gulf of Mexico and received a cash payment. Separately, in April, we divested our interest in the Entrada field in the Gulf of Mexico and in June we divested some of our interests in the Kaybob field in Alberta, Canada.

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During the quarter, we also announced a major exploration and production agreement with Libya's National Oil Company, a memorandum of understanding to establish a global strategic alliance with Gazprom and TNK-BP and the proposed divestment of TNK-BP's interests in the Kovytko gas project.

Refining and Marketing

Second Quarter 2006	First Quarter 2007	Second Quarter 2007	\$ million	First H 2007
2,992	1,129	3,981	Profit before interest and tax(a)	5,110
(1,136)	(291)	(1,241)	Inventory holding (gains) losses	(1,532)
1,856	838	2,740	Replacement cost profit (loss) before interest and tax	3,578
171	(10)	963	By region:	953
584	298	584	UK	882
749	122	964	Rest of Europe	1,086
352	428	229	US	657
1,856	838	2,740	Rest of World	3,578
(1)	(163)	844	Results include:	681
(29)	(12)	(44)	Non-operating items	(56)
(446)	(58)	170	UK	112
12	4	(203)	Rest of Europe	(199)
(464)	(229)	767	US	538
162	148	123	Rest of World	136
671	640	700	Refinery throughputs (mb/d)	670
1,200	1,152	996	UK	1,074
256	292	309	Rest of Europe	300
2,289	2,232	2,128	US	2,180
86.4	81.6	82.7	Rest of World	82.2
354	335	343	Total throughput	339
1,311	1,246	1,271	Refined products	1,258
1,631	1,564	1,579	UK	1,571
579	624	615	Rest of Europe	620
3,875	3,769	3,808	US	3,788
1,682	2,026	1,867	Rest of World	1,947
			Total marketing sales	
			Trading/supply sales	

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5,557	5,795	5,675	Total refined product sales	5,735
1,996	2,017	2,161	Crude oil	2,089
7,553	7,812	7,836	Total oil sales	7,824
=====				
Global Indicator Refining Margin (\$/bbl) (c)				
5.78	4.16	7.12	NWE	5.65
17.74	10.14	24.46	USGC	17.34
14.75	7.62	26.05	Midwest	16.89
21.27	22.21	22.71	USWC	22.46
6.83	4.84	6.01	Singapore	5.43
12.59	9.45	16.66	BP Average	13.07
=====				
Chemicals production (kte)				
298	256	246	UK	251
741	748	655	Rest of Europe	701
816	1,076	1,047	US	1,062
1,728	1,520	1,497	Rest of World	1,509
3,583	3,600	3,445	Total production	3,523
=====				

- (a) Profit from continuing operations and includes profit after interest and tax of equity-accounted entities.
- (b) Refining availability is defined as the ratio of units which are available for processing, regardless of whether they are actually being used, to total capacity. Where there is planned maintenance, such capacity is not regarded as being available. During 2006, there was planned maintenance of a substantial part of the Texas City refinery.
- (c) The Global Indicator Refining Margin (GIM) is the average of 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.

Refining and Marketing

The replacement cost profit before interest and tax for the second quarter and half year was \$2,740 million and \$3,578 million respectively. The results in the equivalent periods of 2006 were \$1,856 million and \$3,468 million respectively.

The results include net non-operating gains of \$767 million in the second quarter and \$538 million for the half year. The second quarter gain comprised of disposal gains of \$1,025 million primarily related to the sale of the Coryton refinery, which completed on 31 May 2007, and the sale of the US West Texas pipeline system to Occidental Petroleum Corporation, partially offset by an impairment charge of \$258 million.

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Compared with 2006, both the second quarter and half-year results benefited from significantly stronger refining margins, particularly in the US; marketing margins were also stronger. However, these benefits were more than offset by the impact of operational issues and scheduled turnarounds at a number of our refineries in the US. Compared with 2006, the second quarter and first half results reflect higher integrity management and refinery turnaround costs as well as lower supply optimization benefits, partially offset by a positive impact from non-operating items.

Information on fair value accounting effects is set out on page 10.

Refining throughputs for the quarter and half year were 2,128 mb/d and 2,180 mb/d respectively, compared with 2,289 mb/d and 2,156 mb/d for the same periods last year. The lower throughputs were mainly due to the outages in our Mid West US refineries and were only partially offset by the benefits of the ongoing recommissioning at the Texas City refinery.

Operational issues at the Whiting refinery in the US have limited the site's throughput and ability to make low-sulphur gasoline from sour crude oil. Repairs are ongoing and we expect to resume sour crude processing in the fourth quarter of 2007 and to restore the refinery to its full flexibility and crude capacity in the first half of 2008.

Marketing sales were 3,808 mb/d for the quarter and 3,788 mb/d for the half year, slightly lower than the comparative periods in the previous year, mainly due to divestments and lower European heating oil demand as a result of milder weather.

On 26 June 2007, BP, Associated British Foods and DuPont announced investment of \$400 million in the construction of a world-scale bioethanol plant with expected annual production capacity of some 420 million litres from wheat feedstock, to be commissioned in late 2009. On 29 June 2007, BP announced a joint venture with D1 Oils plc, a UK-based global producer of biodiesel, for the development of jatropha as a new energy crop.

Gas, Power and Renewables

Second Quarter 2006	First Quarter 2007	Second Quarter 2007	\$ million	First 2007
=====				=====
463	206	235	Profit before interest and tax(a)	441
(10)	-	(45)	Inventory holding (gains) losses	(45)
-----				-----
453	206	190	Replacement cost profit before interest and tax	396
=====				=====
188	48	(38)	By region:	
(4)	7	(8)	UK	10
250	26	102	Rest of Europe	(1)
19	125	134	US	128
			Rest of World	259
-----				-----
453	206	190		396

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=====			Results include:	=====	
			Non-operating items		
107	7	(38)	UK	(31)	
-	-	-	Rest of Europe	-	
(1)	1	1	US	2	
-	1	1	Rest of World	2	
-----				-----	
106	9	(36)		(27)	
=====				=====	

(a) Profit from continuing operations and includes profit after interest and tax of equity-accounted entities.

The replacement cost profit before interest and tax for the second quarter and half year was \$190 million and \$396 million respectively, compared with \$453 million and \$754 million a year ago. Included in the result for the quarter was a net charge for non-operating items of \$36 million primarily arising from fair value losses of \$23 million on embedded derivatives related to long-term gas contracts and an impairment charge.

The second quarter result decreased by 58% over the second quarter of 2006 and the first half result was also lower. The results for both periods were impacted by weaker contributions from the gas trading and marketing business, higher expenditure in the Alternative Energy business and a negative impact in respect of non-operating items.

Information on fair value accounting effects is set out on page 10.

In May, BP and Rio Tinto announced the formation of a new jointly owned company, Hydrogen Energy, which will develop decarbonized energy projects around the world. The venture will initially focus on hydrogen-fuelled power generation, using fossil fuels and carbon capture and storage (CCS) technology to produce new large-scale supplies of clean electricity.

Other Businesses and Corporate

Second Quarter 2006	First Quarter 2007	Second Quarter 2007	\$ million	First Hal 2007
=====				=====
(192)	(115)	(162)	Profit (loss) before interest and tax(a)	(277)
(1)	(1)	(2)	Inventory holding (gains) losses	(3)
-----				-----
(193)	(116)	(164)	Replacement cost profit (loss) before interest and tax	(280)
=====				=====
By region:				
(80)	(46)	(25)	UK	(71)

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(46)	21	(2)	Rest of Europe	19
(37)	(114)	(112)	US	(226)
(30)	23	(25)	Rest of World	(2)
-----				-----
(193)	(116)	(164)		(280)
=====				=====
Results include:				
Non-operating items				
-	-	-	UK	-
(1)	28	-	Rest of Europe	28
10	6	7	US	13
17	-	-	Rest of World	-
-----				-----
26	34	7		41
=====				=====

(a) Profit from continuing operations and includes profit after interest and tax of equity-accounted entities.

Other businesses and corporate comprises Finance, the group's aluminium asset, interest income and costs relating to corporate activities. The second quarter's result includes a net gain of \$7 million in respect of non-operating items.

Explanatory Note

Information on fair value accounting effects

BP uses derivative instruments to manage the economic exposure relating to inventories above normal operating requirements of crude oil, natural gas and petroleum products as well as certain contracts to supply physical volumes at future dates. Under IFRS, these inventories and contracts are recorded at historic cost and on an accruals basis respectively. The related derivative instruments, however, are required to be recorded at fair value with gains and losses recognized in income because hedge accounting is either not permitted or not followed, principally due to the impracticality of effectiveness testing requirements. Therefore, measurement differences in relation to recognition of gains and losses occur. Gains and losses on these inventories and contracts are not recognized until the commodity is sold in a subsequent accounting period. Gains and losses on the related derivative commodity contracts are recognized in the income statement from the time the derivative commodity contract is entered into on a fair value basis using forward prices consistent with the contract maturity.

IFRS requires that inventory held for trading be recorded at its fair value using period end spot prices whereas any related derivative commodity instruments are required to be recorded at values based on forward prices consistent with the contract maturity. Depending on market conditions, these forward prices can be either higher or lower than spot prices resulting in measurement differences.

The Gas, Power and Renewables business enters into contracts for pipelines and storage capacity which, under IFRS, are recorded on an accruals basis. These

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contracts are risk managed using a variety of derivative instruments which are fair valued under IFRS. This results in measurement differences in relation to recognition of gains and losses.

The way that BP manages the economic exposures described above, and measures performance internally, differs from the way these activities are measured under IFRS. BP calculates this difference by comparing the IFRS result with management's internal measure of performance, under which the inventory and the supply and capacity contracts in question are valued based on fair value using relevant forward prices prevailing at the end of the period. We believe that disclosing management's estimate of this difference provides useful information for investors because it enables investors to see the economic effect of these activities as a whole. The impacts of fair value accounting effects, relative to management's internal measure of performance, are shown in the table below. Information for all quarters of 2005 and 2006 can be found at www.bp.com/FVAE.

Second Quarter 2006	First Quarter 2007	Second Quarter 2007	\$ million	First Hal 2007
=====				=====
			Refining and Marketing	
406	157	750	Unrecognized gains (losses) brought forward from	157
(336)	(750)	(446)	previous period	
			Unrecognized (gains) losses carried forward	(446)
-----				-----
70	(593)	304	Favourable/(unfavourable) impact relative to	(289)
=====			management's measure of performance	=====
			Gas, Power and Renewables	
226	155	124	Unrecognized gains (losses) brought forward from	155
(376)	(124)	(198)	previous period	
			Unrecognized (gains) losses carried forward	(198)
-----				-----
(150)	31	(74)	Favourable/(unfavourable) impact relative to	(43)
=====			management's measure of performance	=====
(80)	(562)	230		(332)
29	199	(80)	Taxation(a)	119
=====				=====
(51)	(363)	150		(213)
=====				=====
			By region	
			Refining and Marketing	
7	(181)	83	UK	(98)
41	(165)	48	Rest of Europe	(117)
22	(219)	141	US	(78)
-	(28)	32	Rest of World	4
-----				-----
70	(593)	304		(289)
=====				=====
			Gas, Power and Renewables	
-	38	(4)	UK	34
-	-	-	Rest of Europe	-
(147)	(6)	(71)	US	(77)
(3)	(1)	1	Rest of World	-

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(150) 31 (74)

(43)

(a) Tax is calculated using the quarter's effective tax rate on replacement cost profit from continuing operations.

Cautionary Statement: The foregoing discussion contains forward looking statements particularly those regarding capital expenditure, production and the timing and anticipated production capacity of projects. By their nature, forward looking statements involve risk and uncertainty 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 (including inflation); political stability and economic growth in relevant areas of the world; changes in laws and governmental regulations and quotas; exchange rate fluctuations; development and use of new technology; the success or otherwise of partnering; the actions of competitors; natural disasters and adverse weather conditions; changes in public expectations and other changes to business 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 2006 and our 2006 Annual Report on Form 20-F filed with the US Securities and Exchange Commission.

Summarized Group Income Statement

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Ha 2007
=====				=====
\$ million				\$ milli
72,132	61,307	71,872	Sales and other operating revenues (Note 4)	133,179
818	333	910	Earnings from jointly controlled entities - after interest and tax	1,243
114	163	173	Earnings from associates - after interest and tax	336
106	233	128	Interest and other revenues	361
-----				-----
73,170	62,036	73,083	Total revenues	135,119
541	680	1,309	Gain on sale of businesses and fixed assets	1,989
-----				-----
73,711	62,716	74,392	Total revenues and other income	137,108
50,427	42,660	49,983	Purchases	92,643
5,876	5,752	6,276	Production and manufacturing expenses	12,028
855	747	827	Production and similar taxes (Note 5)	1,574
2,309	2,519	2,535	Depreciation, depletion and amortization	5,054
79	223	455	Impairment and losses on sale of businesses and fixed assets	678
97	156	155	Exploration expense	311

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3,516	3,457	3,565	Distribution and administration expenses	7,022
(261)	(155)	(283)	Fair value (gain) loss on embedded derivatives	(438)

10,813	7,357	10,879	Profit before interest and taxation from continuing operations	18,236
153	264	251	Finance costs (Note 6)	515
(46)	(93)	(96)	Other finance income (Note 7)	(189)

10,706	7,186	10,724	Profit before taxation from continuing operations	17,910
3,441	2,440	3,283	Taxation	5,723

7,265	4,746	7,441	Profit from continuing operations	12,187
78	-	-	Profit (loss) from Innovene operations (Note 3)	-

7,343	4,746	7,441	Profit for the period	12,187
				=====
				Attributable to:
7,266	4,664	7,376	BP shareholders	12,040
77	82	65	Minority interest	147

7,343	4,746	7,441		12,187
				=====
				Earnings per share - cents
				Profit for the period attributable to BP shareholders
35.94	24.06	38.37	Basic	62.43
35.59	23.94	38.18	Diluted	62.12
				Profit from continuing operations attributable to BP shareholders
35.57	24.06	38.37	Basic	62.43
35.21	23.94	38.18	Diluted	62.12

Summarized Group Balance Sheet

	30 June 2007	31 Dec 2006
	=====	=====
	\$ million	
Non-current assets		
Property, plant and equipment	95,193	
Goodwill	11,055	
Intangible assets	5,735	
Investments in jointly controlled entities	15,088	
Investments in associates	5,849	
Other investments	1,657	

Fixed assets	134,577	
Loans	864	
Other receivables	926	
Derivative financial instruments	2,950	
Prepayments and accrued income	1,075	
Defined benefit pension plan surplus	7,298	

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	147,690
Current assets	
Loans	163
Inventories	20,645
Trade and other receivables	39,847
Derivative financial instruments	7,234
Prepayments and accrued income	3,494
Current tax receivable	178
Cash and cash equivalents	2,643
	74,204
Assets classified as held for sale	-
	74,204
Total assets	221,894
Current liabilities	
Trade and other payables	42,634
Derivative financial instruments	6,736
Accruals and deferred income	5,803
Finance debt	11,566
Current tax payable	4,637
Provisions	1,690
	73,066
Liabilities directly associated with the assets classified as held for sale	-
	73,066
Non-current liabilities	
Other payables	1,240
Derivative financial instruments	3,888
Accruals and deferred income	1,001
Finance debt	12,188
Deferred tax liabilities	18,582
Provisions	13,070
Defined benefit pension plan and other post-retirement benefit plan deficits	9,436
	59,405
Total liabilities	132,471
Net assets	89,423
Equity	
BP shareholders' equity	88,549
Minority interest	874
	89,423

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Group Statement of Recognized Income and Expense

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Ha 2007
=====				=====
\$ million				\$ milli
309	174	621	Currency translation differences	795
			Exchange gain on translation of foreign operations transferred to gain on sale of businesses and fixed	
-	(19)	(128)	assets	(147)
(44)	(109)	6	Available-for-sale investments marked to market	(103)
			Available-for-sale investments - recycled to the	
(79)	-	-	income statement	-
230	28	13	Cash flow hedges marked to market	41
19	(60)	(21)	Cash flow hedges - recycled to the income statement	(81)
-	(7)	-	Cash flow hedges - recycled to the balance sheet	(7)
(15)	(77)	105	Taxation	28
-----				-----
420	(70)	596	Net income (expense) recognized directly in equity	526
7,343	4,746	7,441	Profit for the period	12,187
-----				-----
7,763	4,676	8,037	Total recognized income and expense for the period	12,713
=====				=====
			Attributable to:	
7,686	4,578	7,967	BP shareholders	12,545
77	98	70	Minority interest	168
-----				-----
7,763	4,676	8,037		12,713
=====				=====

Movement in BP Shareholders' Equity

Movement in BP shareholders' equity

At 31 December 2006

Profit for the period

Distribution to shareholders

Currency translation differences (net of tax)

Exchange gain on translation of foreign operations transferred to gain on sale (net of tax)

Share-based payments (net of tax)

Repurchase of ordinary share capital

Available-for-sale investments (net of tax)

Cash flow hedges (net of tax)

Other

At 30 June 2007

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Summarized Group Cash Flow Statement

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Ha 2007
=====	=====	=====		=====
\$ million				\$ milli
10,706	7,186	10,724	Operating activities	
			Profit before taxation from continuing operations	17,910
			Adjustments to reconcile profits before tax to net cash provided by operating activities	
13	55	60	Exploration expenditure written off	115
2,309	2,519	2,535	Depreciation, depletion and amortization	5,054
(462)	(457)	(854)	Impairment and (gain) loss on sale of businesses and fixed assets	(1,311)
(932)	(496)	(1,083)	Earnings from jointly controlled entities and associates	(1,579)
			Dividends received from jointly controlled entities and associates	1,042
268	229	813	Working capital and other movements	(7,167)
(2,753)	(1,058)	(6,109)		
9,149	7,978	6,086	Net cash provided by operating activities(a)	14,064
			Investing activities	
(3,412)	(3,645)	(4,334)	Capital expenditure	(7,979)
-	(1,087)	(111)	Acquisitions, net of cash acquired	(1,198)
(26)	(9)	(12)	Investment in jointly controlled entities	(21)
(151)	(44)	(65)	Investment in associates	(109)
1,899	310	836	Proceeds from disposal of fixed assets	1,146
			Proceeds from disposal of businesses, net of cash disposed	2,513
90	608	1,905	Proceeds from loan repayments	78
58	45	33	Other	374
-	-	374		
(1,542)	(3,822)	(1,374)	Net cash used in investing activities	(5,196)
			Financing activities	
(4,411)	(2,402)	(1,918)	Net repurchase of shares	(4,320)
514	1,358	1,513	Proceeds from long-term financing	2,871
(720)	(1,134)	(93)	Repayments of long-term financing	(1,227)
941	(558)	(1,499)	Net increase (decrease) in short-term debt	(2,057)
(1,894)	(2,001)	(1,983)	Dividends paid - BP shareholders	(3,984)
(88)	(64)	(71)	- Minority interest	(135)
(5,658)	(4,801)	(4,051)	Net cash used in financing activities	(8,852)
			Currency translation differences relating to cash and cash equivalents	37
(36)	11	26		
1,913	(634)	687	Increase (decrease) in cash and cash equivalents	53

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2,939	2,590	1,956	Cash and cash equivalents at beginning of period	2,590
-----	-----	-----		-----
4,852	1,956	2,643	Cash and cash equivalents at end of period	2,643
=====	=====	=====		=====

- (a) Operating cash flow is calculated from the starting point of profit before taxation which includes inventory holding gains and losses. Operating cash flow also reflects working capital movements including inventories, trade and other receivables and trade and other payables. The carrying value of these working capital items will change for various reasons, including movements in oil, gas and products prices.

Summarized Group Cash Flow Statement

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Ha 2007
=====	=====	=====		=====
\$ million				\$ milli
			Working capital and other movements	
(122)	(95)	(93)	Interest receivable	(188)
145	85	103	Interest received	188
153	264	251	Finance costs	515
(351)	(333)	(335)	Interest paid	(668)
(46)	(93)	(96)	Other finance income	(189)
122	75	107	Share-based payments	182
			Net operating charge for pensions and other	
(47)	(87)	(31)	post-retirement benefits, less contributions	(118)
216	(157)	(257)	Net charge for provisions, less payments	(414)
(2,351)	(648)	(683)	(Increase) decrease in inventories	(1,331)
			(Increase) decrease in other current and non-current	
2,008	3,139	(621)	assets	2,518
			Increase (decrease) in other current and non-current	
135	(2,000)	(2,429)	liabilities	(4,429)
(2,615)	(1,208)	(2,025)	Income taxes paid	(3,233)
-----	-----	-----		-----
(2,753)	(1,058)	(6,109)		(7,167)
=====	=====	=====		=====

Capital Expenditure and Acquisitions

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Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Ha 2007
=====	=====	=====		=====
\$ million				\$ milli
			By business	
			Exploration and Production	
244	221	195	UK	416
74	87	108	Rest of Europe	195
1,190	1,050	1,453	US	2,503
1,476	1,638	1,874	Rest of World	3,512
-----				-----
2,984	2,996	3,630		6,626
-----				-----
			Refining and Marketing	
83	73	94	UK	167
101	1,210	266	Rest of Europe(a)	1,476
252	269	380	US	649
109	80	118	Rest of World	198
-----				-----
545	1,632	858		2,490
-----				-----
			Gas, Power and Renewables	
6	7	12	UK	19
7	7	3	Rest of Europe(a)	10
32	36	106	US	142
19	13	20	Rest of World	33
-----				-----
64	63	141		204
-----				-----
			Other businesses and corporate	
39	35	21	UK	56
-	2	-	Rest of Europe	2
80	32	46	US	78
-	-	-	Rest of World	-
-----				-----
119	69	67		136
-----				-----
3,712	4,760	4,696		9,456
=====				=====
			By geographical area	
372	336	322	UK	658
182	1,306	377	Rest of Europe	1,683
1,554	1,387	1,985	US	3,372
1,604	1,731	2,012	Rest of World	3,743
-----				-----
3,712	4,760	4,696		9,456
=====				=====
			Included above:	
-	1,113	332	Acquisitions and asset exchanges(a)	1,445
=====				=====

(a) First half 2007 includes \$1,132 million for the acquisition of Chevron's Netherlands manufacturing company.

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			Exchange rates	
1.83	1.95	1.99	US dollar/sterling average rate for the period	1.97
1.81	1.96	2.00	US dollar/sterling period-end rate	2.00
1.26	1.31	1.35	US dollar/euro average rate for the period	1.33
1.25	1.33	1.35	US dollar/euro period-end rate	1.35

Analysis of Profit Before Interest and Tax

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Ha 2007
=====				=====
\$ million				\$ milli
			By business	
			Exploration and Production	
1,834	1,062	1,113	UK	2,175
393	720	183	Rest of Europe	903
2,255	1,663	2,037	US	3,700
3,345	2,609	3,561	Rest of World	6,170
-----				-----
7,827	6,054	6,894		12,948
-----				-----
			Refining and Marketing	
166	(64)	1,028	UK	964
785	481	1,029	Rest of Europe	1,510
1,526	289	1,631	US	1,920
515	423	293	Rest of World	716
-----				-----
2,992	1,129	3,981		5,110
-----				-----
			Gas, Power and Renewables	
188	48	(38)	UK	10
(2)	7	(7)	Rest of Europe	-
257	24	124	US	148
20	127	156	Rest of World	283
-----				-----
463	206	235		441
-----				-----
			Other businesses and corporate	
(80)	(46)	(25)	UK	(71)
(45)	21	(1)	Rest of Europe	20
(37)	(113)	(111)	US	(224)
(30)	23	(25)	Rest of World	(2)
-----				-----
(192)	(115)	(162)		(277)
-----				-----
11,090	7,274	10,948		18,222

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(277)	83	(69)	Consolidation adjustment	14
10,813	7,357	10,879	Total for continuing operations	18,236
Innovene operations				
(90)	-	-	UK	-
(40)	-	-	Rest of Europe	-
(6)	-	-	US	-
48	-	-	Rest of World	-
(88)	-	-	Total for Innovene operations	-
10,725	7,357	10,879	Total for period	18,236
By geographical area				
2,148	998	2,080	UK	3,078
1,059	1,245	1,213	Rest of Europe	2,458
3,717	1,932	3,622	US	5,554
3,889	3,182	3,964	Rest of World	7,146
10,813	7,357	10,879	Total for continuing operations	18,236

Analysis of Replacement Cost Profit Before Interest and Tax

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Ha 2007
\$ million				\$ milli
By business				
Exploration and Production				
1,834	1,062	1,113	UK	2,175
393	720	183	Rest of Europe	903
2,254	1,652	2,038	US	3,690
3,345	2,609	3,559	Rest of World	6,168
7,826	6,043	6,893		12,936
Refining and Marketing				
171	(10)	963	UK	953
584	298	584	Rest of Europe	882
749	122	964	US	1,086
352	428	229	Rest of World	657
1,856	838	2,740		3,578
Gas, Power and Renewables				
188	48	(38)	UK	10
(4)	7	(8)	Rest of Europe	(1)
250	26	102	US	128

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19	125	134	Rest of World	259
453	206	190		396
Other businesses and corporate				
(80)	(46)	(25)	UK	(71)
(46)	21	(2)	Rest of Europe	19
(37)	(114)	(112)	US	(226)
(30)	23	(25)	Rest of World	(2)
(193)	(116)	(164)		(280)
9,942	6,971	9,659		16,630
(277)	83	(69)	Consolidation adjustment	14
9,665	7,054	9,590	Total for continuing operations	16,644
Innovene operations				
(90)	-	-	UK	-
(40)	-	-	Rest of Europe	-
(6)	-	-	US	-
48	-	-	Rest of World	-
(88)	-	-	Total for Innovene operations	-
9,577	7,054	9,590	Total for period	16,644
By geographical area				
2,153	1,052	2,015	UK	3,067
855	1,061	766	Rest of Europe	1,827
2,932	1,756	2,933	US	4,689
3,725	3,185	3,876	Rest of World	7,061
9,665	7,054	9,590	Total for continuing operations	16,644

Analysis of Non-operating Items

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Ha 2007
\$ million				\$ milli
			By business	
			Exploration and Production	
330	603	100	Impairment and gain (loss) on sale of businesses and fixed assets	703
-	-	-	Environmental and other provisions	-
-	-	-	Restructuring, integration and rationalization costs	-
149	145	299	Fair value gain (loss) on embedded derivatives	444

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-	-	-	Other	-
479	748	399		1,147
Refining and Marketing				
112	(179)	767	Impairment and gain (loss) on sale of businesses and fixed assets	588
-	-	-	Environmental and other provisions	-
-	-	-	Restructuring, integration and rationalization costs	-
-	-	-	Fair value gain (loss) on embedded derivatives	-
(576)	(50)	-	Other	(50)
(464)	(229)	767		538
Gas, Power and Renewables				
(1)	2	(13)	Impairment and gain (loss) on sale of businesses and fixed assets	(11)
-	-	-	Environmental and other provisions	-
-	-	-	Restructuring, integration and rationalization costs	-
107	7	(23)	Fair value gain (loss) on embedded derivatives	(16)
-	-	-	Other	-
106	9	(36)		(27)
Other businesses and corporate				
21	31	-	Impairment and gain (loss) on sale of businesses and fixed assets	31
-	-	-	Environmental and other provisions	-
-	-	-	Restructuring, integration and rationalization costs	-
5	3	7	Fair value gain (loss) on embedded derivatives	10
-	-	-	Other	-
26	34	7		41
147	562	1,137	Total before taxation for continuing operations	1,699
(53)	(199)	(396)	Taxation credit (charge) (a)	(595)
94	363	741	Total after taxation for continuing operations	1,104
Innovene operations				
(88)	-	-	Total before taxation for Innovene operations(b)	-
-	-	-	Taxation credit (charge)	-
(88)	-	-	Total after taxation for Innovene operations	-
6	363	741	Total after taxation for period	1,104

(a) Tax on non-operating items is calculated using the quarter's effective tax rate on replacement cost profit from continuing operations.

(b) Includes the loss on remeasurement to fair value of \$88 million in the second quarter of 2006 and \$184 million in the first half of 2006.

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Realizations and Marker Prices

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Hal 2007
=====				=====
			Average realizations (a)	
			Liquids (\$/bbl) (b)	
66.61	55.42	63.82	UK	59.47
60.21	51.62	59.42	US	55.57
63.00	54.09	64.76	Rest of World	59.36
62.86	53.43	62.58	BP Average	57.96
=====				=====
			Natural gas (\$/mcf)	
5.67	7.28	4.84	UK	6.19
5.44	5.76	5.94	US	5.85
3.54	3.90	3.56	Rest of World	3.74
4.44	4.86	4.45	BP Average	4.66
=====				=====
			Average oil marker prices (\$/bbl)	
69.59	57.76	68.76	Brent	63.22
70.46	58.05	64.89	West Texas Intermediate	61.53
68.84	55.78	65.77	Alaska North Slope US West Coast	60.86
63.74	53.22	62.16	Mars	57.76
64.73	54.36	65.03	Urals (NWE- cif)	59.65
36.18	27.33	39.56	Russian domestic oil	33.48
=====				=====
			Average natural gas marker prices	
6.80	6.77	7.55	Henry Hub gas price (\$/mmbtu) (c)	7.16
34.55	22.33	20.24	UK Gas - National Balancing Point (p/therm)	21.31
=====				=====

(a)Based on sales of consolidated subsidiaries only - this excludes equity-accounted entities.

(b)Crude oil and natural gas liquids.

(c)Henry Hub First of the Month Index.

Notes

1. Basis of preparation

BP prepares its Annual Report and Accounts on the basis of International Financial Reporting Standards (IFRS) as adopted for use by the European Union. The financial information presented herein has been prepared in

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accordance with the accounting policies expected to be used in preparing the Annual Report and Accounts 2007, which do not differ significantly from those used for the Annual Report and Accounts 2006.

2. Changes to comparatives

In 2005 the basis of accounting for over-the-counter forward sale and purchase contracts for oil, natural gas, NGLs and power was changed. Certain transactions are now reported on a net basis in sales and other operating revenues, whereas previously they had been reported gross in sales and purchases. This change, while reducing sales and other operating revenues and purchases, had no impact on reported profit, profit per ordinary share, cash flow or the balance sheet.

During 2006, as part of a continuous process to review how individual contracts are accounted for, certain other minor adjustments were identified that should have been reflected in the restatement from gross to net presentation. Though these adjustments are not significant to the group income statement, the amendment has been made to bring the comparatives onto a consistent basis. The comparative figures have been amended to reflect these items as set out below.

	Amended		Reported	
	Second Quarter 2006	First Half 2006	Second Quarter 2006	

	\$ million			
Sales and other operating revenues				
Exploration and Production	13,495	27,413	13,495	
Refining and Marketing	63,373	117,910	64,025	1
Gas, Power and Renewables	6,091	12,644	5,735	
Other businesses and corporate	252	458	252	

Sales by continuing operations	83,211	158,425	83,507	1
Less: sales between businesses	11,079	23,005	11,079	

Third party sales of continuing operations	72,132	135,420	72,428	1
	=====			
Purchases	50,427	94,246	50,723	
	=====			

3. Sale of Olefins and Derivatives business

The sale of Innovene, BP's olefins, derivatives and refining group, to INEOS, was completed on 16 December 2005. The second quarter and first half of 2006 include a loss on remeasurement to fair value of \$88 million and \$184 million respectively.

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Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Ha 2007
=====	=====	=====		=====
	\$ million			\$ millio
(88)	-	-	Loss recognized on the remeasurement to fair value	-
			Taxation	
166	-	-	Related to profit before tax	-
-	-	-	Related to remeasurement to fair value	-
-----	-----	-----		-----
78	-	-	Profit/(loss) from Innovene operations	-
=====	=====	=====		=====
			Earnings (loss) per share from Innovene operations - cents	
0.37	-	-	Basic	-
0.38	-	-	Diluted	-
=====	=====	=====		=====

Notes

4. Sales and other operating revenues

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First H 2007
=====	=====	=====		=====
	\$ million			\$ mill
			By business	
13,495	12,219	12,747	Exploration and Production	24,966
63,373	53,119	63,960	Refining and Marketing	117,079
6,091	5,613	5,403	Gas, Power and Renewables	11,016
252	206	178	Other businesses and corporate	384
-----	-----	-----		-----
83,211	71,157	82,288		153,445
11,079	9,850	10,416	Less: sales between businesses	20,266
-----	-----	-----		-----
72,132	61,307	71,872	Total third party sales	133,179
=====	=====	=====		=====
			By geographical area	
26,300	24,055	27,713	UK	51,768
19,406	16,588	19,064	Rest of Europe	35,652
27,054	23,034	26,825	US	49,859
19,067	16,844	18,273	Rest of World	35,117
-----	-----	-----		-----
91,827	80,521	91,875		172,396
19,695	19,214	20,003	Less: sales between areas	39,217
-----	-----	-----		-----

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72,132	61,307	71,872	Total third party sales	133,179
=====				=====

5. Profit before interest and taxation is after charging:

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First H 2007
=====	=====	=====		=====
\$ million				\$ mill
			Production and similar taxes	
72	67	-	UK	67
783	680	827	Overseas	1,507
-----	-----	-----		-----
855	747	827		1,574
=====	=====	=====		=====

6. Finance costs

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First H 2007
=====	=====	=====		=====
\$ million				\$ mill
285	347	345	Interest payable	692
(132)	(83)	(94)	Capitalized	(177)
-----	-----	-----		-----
153	264	251		515
=====	=====	=====		=====

Notes

7. Other finance income

Second	First	Second
--------	-------	--------

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Quarter 2006	Quarter 2007	Quarter 2007		First H 2007
=====				=====
\$ million				\$ mill
484	538	546	Interest on pension and other post-retirement benefit plan liabilities	1,084
(599)	(698)	(708)	Expected return on pension and other post-retirement benefit plan assets	(1,406)
-----				-----
(115)	(160)	(162)	Interest net of expected return on plan assets	(322)
61	67	66	Unwinding of discount on provisions	133
8	-	-	Unwinding of discount on deferred consideration for acquisition of investment in TNK-BP	-
-----				-----
(46)	(93)	(96)		(189)
=====				=====

8. Analysis of changes in net debt

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First H 2007
=====				=====
\$ million				\$ mill
18,679	24,010	23,728	Opening balance	
2,939	2,590	1,956	Finance debt	24,010
-----			Less: Cash and cash equivalents	2,590
15,740	21,420	21,772	Opening net debt	21,420
-----				-----
19,286	23,728	23,754	Closing balance	
4,852	1,956	2,643	Finance debt	23,754
-----			Less: Cash and cash equivalents	2,643
14,434	21,772	21,111	Closing net debt	21,111
-----				-----
1,306	(352)	661	Decrease (increase) in net debt	309
=====				=====
1,949	(645)	661	Movement in cash and cash equivalents (excluding exchange adjustments)	16
(734)	334	79	Net cash outflow (inflow) from financing (excluding share capital)	413
60	(30)	(51)	Fair value hedge adjustment	(81)
26	(11)	(13)	Other movements	(24)
-----				-----
1,301	(352)	676	Movement in net debt before exchange effects	324
5	-	(15)	Exchange adjustments	(15)
-----				-----
1,306	(352)	661	Decrease (increase) in net debt	309
=====				=====

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Notes

9. TNK-BP Operational and Financial Information

Second Quarter 2006	First Quarter 2007	Second Quarter 2007		First Half 2007
=====				=====
			Production (Net of royalties) (BP share)	
907	832	837	Crude oil (mb/d)	835
538	566	441	Natural gas (mmcf/d)	503
999	930	913	Total hydrocarbons (mboe/d) (a)	922
=====				=====
	\$ million			\$ million
			Income statement (BP share)	
1,084	356	1,016	Profit before interest and tax	1,372
(45)	(61)	(64)	Interest expense ...	(125)
(348)	(103)	(188)	Taxation	(291)
(46)	(30)	(78)	Minority interest	(108)
-----				-----
645	162	686	Net Income	848
=====				=====
8	-	-	... Excludes unwinding of discount on consideration	-
=====				=====
			Cash Flow	
-	-	500	Dividends received(b)	500
=====				=====

Balance Sheet

30 June 2007 31 Dec 2007

Investments in jointly controlled entities

8,193 8

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

(b) First half 2006 includes \$771 million declared in fourth

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quarter 2005.

10. Third quarter results

BP's third quarter results will be announced on 23 October 2007.

11. Statutory accounts

The financial information shown in this publication is unaudited and does not constitute statutory financial statements. The 2006 BP Annual Report and Accounts have been filed with the Registrar of Companies; the report of the auditors on those accounts was unqualified and did not contain a statement under section 237(2) or section 237(3) of the Companies Act 1985.

Contacts

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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.
(Registrant)

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Dated: 24 July, 2007

/s/ D. J. PEARL

.....

D. J. PEARL

Deputy Company Secretary