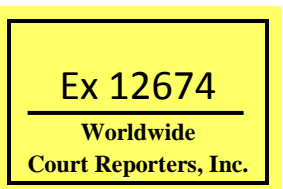


BP Exploration and Production, Inc
Consolidated Financial Statements
4Q11
(Un-Audited)



| IFRS Un-Audited Financial Statement | BP Exp&Prod Consolidated 4Q11 | BP Exp&Prod Consolidated 3Q11 | BP Exp&Prod Consolidated 4Q11 Change |
|--|-------------------------------------|-------------------------------------|--|
| Sales and Other Operating Rev | (\$9,693) | (\$7,549) | (\$2,144) |
| Interest and Other Revenues | (\$18) | (\$2) | (\$16) |
| Profit on Sale or Termination | (\$759) | (\$1) | (\$758) |
| TOTAL REVENUES AND OTHER INCOME | (\$10,470) | (\$7,551) | (\$2,919) |
| Purchases | \$2,059 | \$1,784 | \$275 |
| Production and Other Operating Expense | (\$1,723) | \$1,840 | (\$3,564) |
| Exploration Expense | \$133 | \$105 | \$28 |
| Depreciation | \$1,394 | \$1,057 | \$336 |
| Exploration Write-Off | \$465 | \$436 | \$28 |
| Impairment | \$299 | \$356 | (\$57) |
| Loss on Sale or Termination | \$14 | \$14 | \$1 |
| EXPENSE | \$2,640 | \$5,593 | (\$2,953) |
| PROFIT/LOSS BEFORE INTEREST AND TAX | (\$7,830) | (\$1,959) | (\$5,871) |
| Finance Costs | \$145 | \$103 | \$42 |
| Current Tax | (\$450) | (\$460) | \$10 |
| Deferred Tax | \$3,155 | \$1,095 | \$2,060 |
| PROFIT/LOSS | (\$4,981) | (\$1,220) | (\$3,760) |
| Decommissioning Asset | \$2,725 | \$2,269 | \$456 |
| Property, Plant and Equipment | \$11,425 | \$11,366 | \$59 |
| Exploration Assets | \$3,091 | \$2,915 | \$176 |
| Investments | \$0 | \$0 | \$0 |
| Non-Current Receivables/Prepayments | \$1,396 | \$2,275 | (\$879) |
| NON-CURRENT ASSETS | \$18,637 | \$18,825 | (\$188) |
| Cash | (\$38) | (\$28) | (\$9) |
| Inventory | \$206 | \$172 | \$35 |
| Current Receivables | \$6,996 | \$5,973 | \$1,024 |
| Current Group Receivables | \$2,227 | \$2,731 | (\$503) |
| Current Prepayments/Accrued Income | \$168 | \$143 | \$25 |
| CURRENT ASSETS | \$9,560 | \$8,990 | \$571 |
| Current Payables | (\$6,556) | (\$5,814) | (\$742) |
| Current Group Payables | (\$20,828) | (\$21,241) | \$413 |
| Current Provisions | (\$7,797) | (\$7,474) | (\$323) |
| CURRENT LIABILITIES | (\$35,181) | (\$34,529) | (\$651) |
| Non-Current Group Payables | (\$300) | (\$300) | \$0 |
| Non-Current Payables | (\$16) | (\$5,087) | \$5,071 |
| Deferred Tax Liabilities | \$5,101 | \$7,161 | (\$2,060) |
| Non-Current Provisions | (\$9,146) | (\$10,164) | \$1,018 |
| NON-CURRENT LIABILITIES | (\$4,361) | (\$8,389) | \$4,028 |
| NET ASSETS | (\$11,344) | (\$15,104) | \$3,760 |
| Retained Earnings | \$21,728 | \$21,728 | \$0 |
| Share Capital | (\$5,404) | (\$5,404) | \$0 |
| Group Dividends | \$0 | \$0 | \$0 |
| Provision Schedule | | | |
| GCRO Environmental (incl Spill Resp) | (\$1,869) | (\$2,021) | \$152 |
| GCRO Litigation/Claims | (\$7,829) | (\$8,159) | \$330 |
| GCRO Other | (\$3,510) | (\$3,510) | \$0 |
| Gom Decommissioning | (\$3,734) | (\$3,948) | \$214 |
| | (\$16,942) | (\$17,637) | \$695 |

TOTAL REVENUES AND OTHER INCOME

Revenues and Other Income is \$2.9b for 4Q11 and \$10.5 for 2011. This primarily reflects the BPXP portion of GoM business sales of crude, gas and ngl. The 4Q11 results were also positively impacted by the gain on sale of the Mica/Pompano assets. Of the \$10.5b in year to date revenues, \$4.8b of sales has been reflected through the Verano Holding Company.

EXPENSE

Expenses have been reduced by nearly \$(3.0)b for 4Q11 resulting in \$5.6b for the year. The fourth quarter was impacted by the Anadarko and Cameron settlements of \$(4.4)b while year to date GCRO settlements are \$(5.5)b, which also include Moex and Weatherford. Purchases reflected in the BPEP consolidated results are primarily from BP GoM UK entities operating in the Gulf and 3rd party royalty purchases.

NON-CURRENT ASSETS

The 4Q11 non-current asset movements reflect the increase to Decommissioning Assets as part of the yearend discount rate change. Capital additions within the GoM business, partially offset with the depreciation taken in the quarter, were largely offset with the deletion of the remaining Mica/Pompano net asset position of \$180m. Non-Current Receivables represent the long-term portion of the GCRO reimbursement asset. The reimbursement asset equals the amount of the Trust related long-term provision. As the long-term reimbursement asset is down \$(0.9)b for 4Q11, this would reflect the long-term portion of the Trust related provision net decline between utilization and any increase in amounts provided.

CURRENT ASSETS

The 4Q11 \$0.6b upward movement in current receivables includes the \$250m Cameron GCRO settlement receivables as well as an increase in the Trust related short-term reimbursement asset, recognizing the increase in the short-term Trust related provision. This increase was largely driven by increased Trust provisions for PID and VoO settlements. The remaining downward movement in the Group receivables is reclassification of the NAFCO funding into group payables (to create a net overall position) partially offset with a nearly \$900m receivable for the monetization of deferred tax losses. This monetization of the deferred taxes partially offsets the decline in the deferred tax asset.

CURRENT LIABILITIES

The current payables indicate a nearly \$(0.7)b increase in 4Q11 which is driven by increased taxes payable related to the Anadarko settlement, an increase in capex creditors and higher provisions, primarily due to PID and VoO settlements. The reduction in Group payables reflects the reclassification of the group funding receivable (noted in current receivables) into a net position on the balance sheet, offset with the incremental Trust funding of \$1.25b that NAFCO performed on behalf of GCRO and the overall net cash funding back to BP Corporation.

NON-CURRENT LIABILITIES

Non-current payables for the quarter are reduced by \$4.0b which is predominantly the reduction in the long-term portion of the Trust payable. The deferred tax asset has unwound \$2.0b primarily as a result of monetization of the deferred tax for the settlements received and the recognition of the bad debt expense write-off for the residual amounts owed. This deferred tax recovery is limited by the overall domestic loss (ODL) adjustments which have been pushed through GCRO.