

BP PLC
Form 6-K
October 28, 2014
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

for the period ended October, 2014

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 Form 20-F or Form 40-F.

Form 20-F	<input checked="" type="checkbox"/>	Form 40-F
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Indicate by check mark whether the registrant by furnishing the information

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contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No |X|

BP p.l.c.
Group results
Third quarter and nine months 2014

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FOR IMMEDIATE RELEASE

London 28 October 2014

Third quarter 2013	Second quarter 2014	Third quarter 2014	\$ million	Nine months 2014	Nine months 2013
3,504	3,369	1,290	Profit for the period(a)	8,187	22,409
(326)	(187)	1,095	Inventory holding (gains) losses*, net of tax	855	(235)
3,178	3,182	2,385	Replacement cost profit*	9,042	22,174
			Net (favourable) unfavourable impact of non-operating items* and fair value accounting effects*, net of tax	855	(11,555)
514	453	652			
3,692	3,635	3,037	Underlying replacement cost profit*	9,897	10,619
			Replacement cost profit		
16.84	17.25	12.97	per ordinary share (cents)	49.04	116.62
1.01	1.03	0.78	per ADS (dollars)	2.94	7.00
			Underlying replacement cost profit		
19.57	19.71	16.51	per ordinary share (cents)	53.67	55.85
1.17	1.18	0.99	per ADS (dollars)	3.22	3.35

- BP's third-quarter replacement cost (RC) profit was \$2,385 million, compared with \$3,178 million a year ago. After adjusting for a net charge for non-operating items of \$798 million and net favourable fair value accounting effects of \$146 million (both on a post-tax basis), underlying RC profit for the third quarter 2014 was \$3,037 million, compared with \$3,692 million for the same period in 2013. For the nine months, RC profit was \$9,042 million, compared with \$22,174 million a year ago which included a \$12.5-billion gain relating to the disposal of our interest in TNK-BP. After adjusting for a net charge for non-operating items of \$1,055 million and net favourable fair value accounting effects of \$200 million (both on a post-tax basis), underlying RC profit for the nine months was \$9,897 million, compared with \$10,619 million for the same period last year. 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 3 and 29.

- All amounts relating to the Gulf of Mexico oil spill have been treated as non-operating items, with a net pre-tax charge of \$43 million for the quarter and \$342 million for the nine months. In its decision on 4 September 2014 in the Trial of Phase 1 of MDL 2179, the federal district court in New Orleans ruled that under the US Clean Water Act, the discharge of oil was the result of the gross negligence and wilful misconduct of BP Exploration & Production Inc. (BXP) and that BXP is therefore subject to enhanced civil penalties. BP intends to appeal this ruling. For the reasons described in Note 2, no adjustment has been

made to the provision previously recognized for the liability under the Clean Water Act.

- As at 30 September 2014, the cumulative charges to be paid from the Deepwater Horizon Oil Spill Trust fund reached \$20 billion. Subsequent additional costs, over and above those provided within the \$20 billion, will be charged to the income statement as they arise. For further information on the Gulf of Mexico oil spill and its consequences see page 10 and Note 2 on page 16. See also Legal proceedings on page 33.
- Including the impact of the Gulf of Mexico oil spill, net cash provided by operating activities for the quarter and nine months was \$9.4 billion and \$25.5 billion respectively, compared with \$6.3 billion and \$15.7 billion for the same periods in 2013. Excluding amounts related to the Gulf of Mexico oil spill, net cash provided by operating activities for the third quarter and nine months was \$9.4 billion and \$25.8 billion respectively, compared with \$6.3 billion and \$15.9 billion respectively for the same periods in 2013.
- Net debt at 30 September 2014 was \$22.4 billion, compared with \$20.1 billion a year ago. The ratio of net debt to net debt plus equity at 30 September 2014 was 15.0%, compared with 13.3% a year ago. Net debt and the ratio of net debt to net debt plus equity are non-GAAP measures. See page 25 for more information.
- Total capital expenditure on an accruals basis for the third quarter was \$5.3 billion, almost all of which was organic*. For the nine months, total capital expenditure on an accruals basis was \$17.0 billion, of which organic capital expenditure was \$16.3 billion. Organic capital expenditure for the full year 2014 is expected to be around \$23 billion.
- In October 2013, BP announced plans to divest a further \$10 billion of assets before the end of 2015, having completed its earlier divestment programme of \$38 billion in 2012. BP has agreed around \$4.0 billion of such further divestments to date. Disposal proceeds received in cash were \$0.6 billion for the quarter and \$2.4 billion for the nine months.
- BP today announced a quarterly dividend of 10.00 cents per ordinary share (\$0.600 per ADS), which is expected to be paid on 19 December 2014. The corresponding amount in sterling will be announced on 8 December 2014. See page 25 for further information.

* For items marked with an asterisk throughout this document, definitions are provided in the Glossary on page 31.

(a) Profit attributable to BP shareholders.

The commentaries above and following should be read in conjunction with the cautionary statement on page 37.

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Group headlines (continued)

- The effective tax rate (ETR) on RC profit for the third quarter and nine months was 42% and 35% respectively, compared with 31% and 22% for the same periods in 2013. Adjusting for non-operating items and fair value accounting effects, the underlying ETR in the third quarter and nine months was 41% and 36% respectively, compared with 31% and 38% for the same periods in 2013. The underlying ETR was higher for the third quarter 2014 due to a lower level of equity-accounted earnings (which are reported net of tax) and foreign exchange impacts on deferred tax, compared to the corresponding period in 2013.
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Finance costs and net finance expense relating to pensions and other post-retirement benefits were a charge of \$358 million for the third quarter, compared with \$397 million for the same period in 2013. For the nine months, the respective amounts were \$1,081 million and \$1,170 million.

- BP repurchased 209 million ordinary shares at a cost of \$1.6 billion, including fees and stamp duty, during the third quarter of 2014. For the nine months, BP repurchased 507 million ordinary shares at a cost of \$4.1 billion, including fees and stamp duty. The \$8-billion share repurchase programme announced on 22 March 2013 was completed in July 2014. Ongoing share repurchases continue to be funded from the \$10-billion divestment programme described above.
- Reported production for the third quarter, including BP's share of Rosneft's production, was 3,149 thousand barrels of oil equivalent per day (mboe/d), compared with 3,172mboe/d for the same period in 2013. This reflected the Abu Dhabi onshore concession expiry, partly offset by increased production from higher-margin areas in Upstream and higher production in Rosneft. Reported production for the nine months, including BP's share of Rosneft's production, was 3,130mboe/d, compared with 2,938mboe/d for the same period in 2013 which includes Rosneft production for the period 21 March to 30 September averaged over the nine months.

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Analysis of RC profit before interest and tax
and reconciliation to profit for the period

Third quarter 2013	Second quarter 2014	Third quarter 2014	\$ million	Nine months 2014	Nine months 2013
			RC profit before interest and tax*		
4,158	4,049	3,311	Upstream	12,019	14,120
616	933	1,231	Downstream	2,958	3,279
–	–	–	TNK-BP(a)	–	12,500
792	1,024	107	Rosneft(b)	1,649	1,095
(674)	(434)	(432)	Other businesses and corporate	(1,363)	(1,714)
(30)	(251)	(33)	Gulf of Mexico oil spill response(c)	(313)	(251)
263	(76)	370	Consolidation adjustment – UPII*	384	819
5,125	5,245	4,554	RC profit before interest and tax	15,334	29,848
			Finance costs and net finance expense relating to		
(397)	(356)	(358)	pensions and other post-retirement benefits	(1,081)	(1,170)
(1,462)	(1,643)	(1,777)	Taxation on a RC basis	(5,022)	(6,253)
(88)	(64)	(34)	Non-controlling interests	(189)	(251)
3,178	3,182	2,385	RC profit attributable to BP shareholders	9,042	22,174
444	258	(1,585)	Inventory holding gains (losses)	(1,225)	344
			Taxation (charge) credit on inventory holding gains and losses		
(118)	(71)	490		370	(109)
3,504	3,369	1,290	Profit for the period attributable to BP shareholders	8,187	22,409

(a) BP ceased equity accounting for its share of TNK-BP's earnings from 22 October 2012. Nine months 2013 includes the gain arising on disposal of BP's interest in TNK-BP.

(b)

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BP's investment in Rosneft is accounted under the equity method from 21 March 2013. See page 8 for further information.

- (c) See Note 2 on page 16 for further information on the accounting for the Gulf of Mexico oil spill response.

Analysis of underlying RC profit before interest and tax

Third quarter 2013	Second quarter 2014	Third quarter 2014		Nine months 2014	Nine months 2013
			\$ million		
			Underlying RC profit before interest and tax*		
4,423	4,655	3,899	Upstream	12,955	14,413
720	733	1,484	Downstream	3,228	3,562
808	1,024	110	Rosneft	1,405	1,111
(385)	(438)	(293)	Other businesses and corporate	(1,220)	(1,284)
263	(76)	370	Consolidation adjustment - UPII	384	819
5,829	5,898	5,570	Underlying RC profit before interest and tax	16,752	18,621
			Finance costs and net finance expense relating to		
(388)	(347)	(348)	pensions and other post-retirement benefits	(1,052)	(1,141)
(1,661)	(1,852)	(2,151)	Taxation on an underlying RC basis	(5,614)	(6,610)
(88)	(64)	(34)	Non-controlling interests	(189)	(251)
3,692	3,635	3,037	Underlying RC profit attributable to BP shareholders	9,897	10,619

Reconciliations of underlying RC profit or loss to the nearest equivalent IFRS measure are provided on page 1 for the group and on pages 4-9 for the segments.

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Upstream

Third quarter 2013	Second quarter 2014	Third quarter 2014		Nine months 2014	Nine months 2013
			\$ million		
4,165	4,048	3,312	Profit before interest and tax	12,013	14,121
(7)	1	(1)	Inventory holding (gains) losses*	6	(1)
4,158	4,049	3,311	RC profit before interest and tax	12,019	