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BP PLC
Form 6-K
October 28, 2003

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 28 October, 2003

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 |X| Form 40-F

Indicate by check mark whether the registrant by furnishing the information 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 2003

London 28 October 2003

FOR IMMEDIATE RELEASE

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RESULT UP 25%; CONTINUING STRONG CASH GENERATION

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003	\$ million	Nine Months		
				2003	2002	%
				Replacement cost profit		
766	2,454	2,142	before exceptional items	7,724	3,001	
556	32	228	Special items (a)	233	1,027	
977	629	498	Acquisition amortization (b)	1,755	2,052	
				Pro forma result adjusted		
2,299	3,115	2,868	for special items	9,712	6,080	60
6.61	8.67	8.07	- per ordinary share (pence)	27.18	18.32	49
10.26	14.06	13.00	- per ordinary share (cents)	43.76	27.12	62
0.62	0.85	0.78	- per ADS (dollars)	2.63	1.62	

- o BP's third quarter pro forma result, adjusted for special items, was \$2,868 million, compared with \$2,299 million a year ago, an increase of 25%. For the nine months, the result was \$9,712 million compared with \$6,080 million, up 60%. Replacement cost profit, before exceptional items, for the third quarter and nine months was \$2,142 million and \$7,724 million respectively, compared with \$766 million and \$3,001 million a year ago.

- o The third quarter overall trading environment was more favourable than

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a year ago.

- o Improved operating performance generated additional income for the quarter and nine months. Excluding charges for impairment, non-cash costs were higher in both periods due to higher depreciation.
- o The TNK-BP deal was completed on 29 August. Third quarter results and production reflect a strong contribution from the joint venture.
- o Net cash outflow for the quarter was \$2,426 million and net cash inflow for the nine months was \$3,179 million, compared with outflows of \$523 million and \$1,055 million a year ago. Net cash flow from operating activities for the quarter and nine months was \$4,891 million and \$18,198 million respectively compared with \$4,376 million and \$13,145 million a year ago.
- o The pro forma ratio of net debt to net debt plus equity was 23% at the end of the quarter.
- o Return on average capital employed for the quarter, on a pro forma basis adjusted for special items, was 15%, compared with 13% a year ago.
- o The quarterly dividend was 6.50 cents per share (\$0.39 per ADS). This compares with 6.00 cents a year ago. For the nine months the dividend showed an increase of 8.5%. In sterling terms, the quarterly dividend is 3.857 pence per share compared with 3.897 pence a year ago; for the nine months the increase was 0.2%.

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BP Group Chief Executive, Lord Browne, said:

"This has been another good quarter and a strong financial result. We continue to invest steadily against a clear set of strategic goals, and to drive hard on operations where there is room for improvement.

The pro forma result, adjusted for special items, has been derived from the group's reported UK GAAP accounting information but is not in itself a recognized UK or US GAAP measure. This financial performance information and measures derived therefrom, shown above and elsewhere in the document, are provided in order to enable investors to evaluate better both BP's current performance, in the context of past performance, and its performance against that of its competitors.

- (a) The special items refer to non-recurring charges and credits. The special items for the third quarter comprise net charges resulting from the reassessment of environmental remediation provisions, Veba integration costs in Refining and Marketing and a provision to cover future rental payments on surplus property in Petrochemicals.
- (b) Acquisition amortization is depreciation and amortization relating to the fixed asset revaluation adjustments and goodwill consequent upon the ARCO and Burmah Castrol acquisitions.

Summary Quarterly Results

Exploration and Production's third quarter result was up 25% on a year ago, reflecting higher average realizations.

In Gas, Power and Renewables, the result reflects improvement in marketing and trading, including LNG, partly offset by a lower result for the natural gas liquids business and restructuring costs related to the Solar business.

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The Refining and Marketing result increased 87% compared with a year ago due to higher refining margins and improved marketing margins, particularly retail margins in the USA and Europe, with some offset from higher gas fuel costs.

The Petrochemicals result was \$184 million down on the prior quarter, reflecting substantially lower margins due to higher feedstock prices partly offset by slightly higher demand.

Interest expense for the quarter was \$213 million compared with \$191 million for the prior quarter, reflecting increased debt buyback costs and the impact of the inclusion of TNK-BP, partly offset by an increase in capitalized interest.

The pro forma effective tax rate on replacement cost profit, before exceptional items, and adjusted for special items, was 35% compared with 34.5% a year ago.

Capital expenditure, excluding acquisitions, was \$3.3 billion for the quarter. Total capital expenditure and acquisitions was \$9.2 billion. Disposal proceeds were \$0.9 billion.

Net cash outflow was \$2,426 million compared with \$523 million a year ago; higher cash flow from operating activities was more than offset by lower disposal proceeds.

Net debt at the end of the quarter was \$18.5 billion. The pro forma ratio of net debt to net debt plus equity was 23%.

The commentaries above and following are based on the pro forma replacement cost operating results, before exceptional items, adjusted for special items.

To reflect BP's increased focus on chemical products derived from oil and gas, the Chemicals segment has been renamed Petrochemicals.

BP's share of the result of the TNK-BP joint venture has been included within Exploration and Production with effect from 29 August. TNK-BP operational and financial information has been estimated.

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Reconciliation of Reported Results to Pro Forma Results Adjusted for Special Items

Pro Forma Result adjusted for ----- 3Q 2003 ----- special items -----							Pro Forma Result adjusted for special items	
3Q 2002	2Q 2003	3Q 2003	Special Items*	Acq. Amort+	Reported Earnings	\$ million	Nine Months 2003	2002
=====								
						Exploration and		
3,050	3,589	3,813	-	293	3,520	Production	12,290	8,339
						Gas, Power		
87	103	98	-	-	98	and Renewables	395	312
						Refining and		
522	1,135	978	318	205	455	Marketing	2,967	1,494
272	308	124	43	-	81	Petrochemicals	571	626
						Other businesses		
(116)	(134)	(320)	(10)	-	(310)	and corporate	(619)	(369)

						RC operating		
3,815	5,001	4,693	351	498	3,844	profit	15,604	10,402

(300)	(191)	(213)	-	-	(213)	Interest expense	(624)	(947)
(1,213)	(1,635)	(1,569)	(123)	-	(1,446)	Taxation	(5,139)	(3,313)
(3)	(60)	(43)	-	-	(43)	MSI	(129)	(62)

						RC profit before		
2,299	3,115	2,868	228	498	2,142	exceptional items	9,712	6,080

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	172 Exceptional items before tax
	(4) Taxation on exceptional items

	2,310 RC profit after exceptional items
	84 Stock holding gains

	2,394 HC profit
	=====

* The special items refer to non-recurring charges and credits. The special items for the third quarter comprise net charges resulting from the reassessment of environmental remediation provisions, Veba integration costs in Refining and Marketing and a provision to cover future rental payments on surplus property in Petrochemicals.

+ Acquisition amortization is depreciation and amortization relating to the fixed asset revaluation adjustments and goodwill consequent upon the ARCO and Burmah Castrol acquisitions.

Operating Results

Third Quarter	Second Quarter	Third Quarter	Nine Months	
2002	2003	2003	2003	2002

Replacement cost

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1,757	4,324	3,844	operating profit (\$m)	13,293	7,065

Replacement cost profit					
766	2,454	2,142	before exceptional items (\$m)	7,724	3,001

Profit after exceptional items (\$m)					
2,535	2,585	2,310	Replacement cost	8,363	4,916
2,840	1,634	2,394	Historical cost	8,295	6,194

Per ordinary share (cents)					
Pro forma result					
10.26	14.06	13.00	adjusted for special items	43.76	27.12
RC profit before					
3.42	11.08	9.71	exceptional items	34.80	13.39
12.67	7.41	10.85	HC profit after exceptional items	37.37	27.63

Per ADS (cents)					
Pro forma result					
61.56	84.36	78.00	adjusted for special items	262.56	162.72
RC profit before					
20.52	66.48	58.26	exceptional items	208.80	80.34
76.02	44.46	65.10	HC profit after exceptional items	224.22	165.78

Exploration and Production

3Q 2Q 3Q

Nine Months

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2002	2003	2003	\$ million	2003	2002
=====				=====	
1,572	3,153	3,520	Replacement cost operating profit	10,999	5,958
703	12	-	Special items	151	920
775	424	293	Acquisition amortization	1,140	1,461
-----				-----	
			Pro forma operating result		
3,050	3,589	3,813	adjusted for special items	12,290	8,339
=====				=====	
			Results include:		
119	101	136	Exploration expense	349	465
			Of which:		
55	43	75	Exploration expenditure written off	168	261
-----				-----	
			Production (Net of Royalties)		
1,736	1,712	1,852	Crude oil (mb/d)	1,798	1,766
247	199	202	Natural gas liquids (mb/d)	211	242
1,983	1,911	2,054	Total liquids (mb/d) (a)	2,009	2,008
8,482	8,439	8,401	Natural gas (mmcf/d)	8,617	8,631
3,445	3,366	3,502	Total hydrocarbons (mboe/d) (b) (c)	3,495	3,496
=====				=====	
			Average realizations		
26.01	25.73	27.72	Crude oil (\$/bbl)	28.25	23.35
13.15	17.49	19.39	Natural gas liquids (\$/bbl)	18.96	12.23
24.40	24.90	26.79	Total liquids (\$/bbl)	27.24	21.99
2.25	3.39	3.08	Natural gas (\$/mcf)	3.46	2.32
19.27	22.43	22.58	Total hydrocarbons (\$/bbl)	23.88	18.17
=====				=====	

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Average oil marker prices					
(\$/bbl)					
26.91	26.03	28.38	Brent	28.64	24.40
28.26	29.02	30.19	West Texas Intermediate	31.08	25.40
27.26	27.04	28.83	Alaska North Slope US West Coast	29.69	24.06
=====				=====	
3.16	5.40	4.97	Henry Hub gas price (\$/mmBtu) (d)	5.65	2.94
UK Gas - National					
12.74	17.44	15.08	Balancing Point (p/therm)	17.92	14.53
=====				=====	

(a) Crude oil and natural gas liquids.

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

(c) Includes 249 mboe/d production from TNK-BP.

(d) Henry Hub First of the Month Index.

Exploration and Production

The pro forma result for the third quarter, adjusted for special items, was \$3,813 million, up 25% from the third quarter of 2002.

The result for the quarter reflected higher realizations, with liquids up \$2.39/bbl and natural gas up \$0.83/mcf on a year ago. North American basin differentials to the Henry Hub marker price continued to narrow over the quarter following the opening of pipeline expansion routes. The result includes income of \$15 million reflecting a lower provision for Unrealized Profit in Stock (UPIS), which removes the upstream margin from downstream inventories. This compares with a charge of \$64 million in the third quarter of last year.

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The nine months result of \$12,290 million was up \$3,951 million on a year ago, reflecting the impact of significantly higher oil and gas prices and a reduction in exploration write-offs partly offset by the impact of divestments and higher depreciation.

Significant progress was made during the quarter toward completion of our projects in our new profit centres. The Kapok field in Trinidad started up in July. In preparation for start-up, the Na Kika tension leg platform has arrived on location in the Gulf of Mexico and the Xikomba Floating Production Storage and Offloading vessel is on location in Angola. The Holstein Spar has sailed from the fabrication yard in Finland and the Kizomba A tension leg platform has arrived in Angola. In Azerbaijan, construction is well advanced on our Azeri project and the BTC pipeline is on track for start-up in early 2005.

Production for the quarter was up by more than one and a half per cent at 3,502 mboe/d compared with a year ago. This reflects the impacts of the inclusion of incremental production volumes of 208 mboe/d from TNK-BP offset by a reduction of 179 mboe/d from divestments. Other factors include strong growth in Trinidad and decline in our mature areas. Total production for the nine months at 3,495 mboe/d was in line with a year ago.

We are nearing the end of the 2003 programme of high-grading our portfolio with the completion of previously announced divestments in China and the Lower 48 states in the USA and the sale of 49% of our In Amenas gas project in Algeria.

On 29 August we completed the creation of our joint venture TNK-BP. This sees the establishment of the third largest integrated oil company in Russia in which we have a 50% interest. That transaction did not include Alfa Group and Access Renova's interests in Slavneft or BP's interest in Sakhalin. The TNK-BP result included for the period 29 August to 30 September benefited from favourable price conditions in Russia, and production was robust.

Gas, Power and Renewables

3Q	2Q	3Q		Nine Months
2002	2003	2003	\$ million	2003 2002
=====				=====

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57	103	98	Replacement cost operating profit	395	282
30	-	-	Special items	-	30
-	-	-	Acquisition amortization	-	-

Pro forma operating result					
87	103	98	adjusted for special items	395	312
=====					
Gas sales volumes (mmcf/d)					
1,809	2,581	2,174	UK	2,653	2,256
353	421	362	Rest of Europe	418	385
9,332	10,441	11,808	USA	11,328	8,841
9,556	10,839	11,133	Rest of World	11,173	9,155

21,050	24,282	25,477	Total gas sales volumes	25,572	20,637
=====					
NGL sales volumes (mb/d)					
-	-	-	UK	-	-
-	-	-	Rest of Europe	-	-
178	136	188	USA	150	173
185	124	163	Rest of World	173	204

363	260	351	Total NGL sales volumes	323	377
=====					

Gas, Power and Renewables

The pro forma result for the third quarter and nine months was \$98 million and \$395 million, respectively, compared with \$87 million and \$312 million a year ago. The third quarter and nine month results reflect improvement in marketing and trading, including LNG, partly offset by a lower result for the natural gas

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liquids business, restructuring charges in the Solar business and the absence of the contribution from Ruhrgas following the sale of our interest last year.

The increased marketing and trading result for the quarter and nine months was driven by higher gas sales volumes in North America and strong performance from the Global LNG business. Third quarter gas sales volumes were up 21%, and equity LNG sales were up 47%. During the quarter, the first delivery of LNG was made to the recently completed LNG import and regasification facility in Bilbao (BP 25%) and the first delivery was made to the facility at Cove Point (operated by Dominion Resources) in the USA, where BP has a contract for capacity access.

The result for the natural gas liquids business for the third quarter and nine months is substantially down on a year ago due to continued high gas prices relative to liquids prices in North America, which has led to lower sales volumes and margins.

The Solar and Renewables result includes a restructuring charge of \$45 million as a result of decisions taken during the quarter to improve future profitability. This charge provides for consolidation of manufacturing operations and staff reductions across the business.

Refining and Marketing

3Q	2Q	3Q		Nine Months	
2002	2003	2003	\$ million	2003	2002
=====				=====	
237	889	455	Replacement cost operating profit	1,975	908
83	41	318	Special items	377	(5)
202	205	205	Acquisition amortization	615	591
-----				-----	
			Pro forma operating result		
522	1,135	978	adjusted for special items	2,967	1,494
=====				=====	

Refinery throughputs (mb/d)

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394	416	405	UK		399	387
956	991	909	Rest of Europe		951	905
1,455	1,465	1,406	USA		1,391	1,438
349	393	366	Rest of World		383	354

3,154	3,265	3,086	Total throughput		3,124	3,084
=====						
96.5	96.7	96.2	Refining availability(a) (%)		95.7	96.0
=====						
Oil sales volumes (mb/d)						
Refined products						
258	279	270	UK		276	248
1,604	1,358	1,293	Rest of Europe		1,323	1,441
1,847	1,822	1,828	USA		1,800	1,874
613	607	657	Rest of World		636	578

4,322	4,066	4,048	Total marketing sales		4,035	4,141
2,589	2,957	2,647	Trading/supply sales		2,805	2,489

6,911	7,023	6,695	Total refined product sales		6,840	6,630
3,648	5,679	5,316	Crude oil		5,175	4,458

10,559	12,702	12,011	Total oil sales		12,015	11,088
=====						
Global Indicator Refining Margin(b)						
(\$/bbl)						
1.28	2.15	2.47	NWE		2.77	0.66
1.82	3.59	5.61	USGC		5.11	2.16
3.27	4.73	6.39	Midwest		5.09	3.03
3.54	6.34	9.04	USWC		7.39	4.47
0.47	0.66	1.27	Singapore		1.63	0.28

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1.98 3.27 4.59 BP Average 4.13 1.90

=====

=====

- (a) Refining availability is the weighted average percentage of the period that refinery units are available for processing, after accounting for downtime such as turnarounds.

- (b) The Global Indicator Refining Margin (GIM) is the average of six 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 pro forma result for the third quarter, adjusted for special items, was \$978 million. This compares with \$522 million for the same period last year, an increase of \$456 million or 87%.

The special items of \$318 million comprise a \$246 million charge resulting from a reassessment of our environmental remediation provisions and ongoing Veba integration costs of \$72 million. In addition, the third quarter result included charges of \$123 million in respect of new environmental remediation provisions which were not classified as special items.

The nine months result of \$2,967 million is up \$1,473 million compared with the first nine months of last year, an increase of 99%.

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The results for the quarter and nine months reflect improved refining margins and higher marketing margins, particularly retail margins in the USA and Europe, with some offset from higher gas fuel costs. Improved operating performance also contributed to the results in the marketing businesses.

Refining throughputs decreased by 2%, compared with a year ago, with availability at 96.2%. Marketing volumes were 6% lower than a year ago, as expected, largely due to divestments.

During the quarter, an additional 2,037 sites were reimaged, bringing the total number of sites with the BP Helios to some 14,000 worldwide.

During October, we announced that H&R WASAG has agreed to purchase our European Special Products business, including the Neuhof base oil refinery in Hamburg, Germany. The transaction is subject to a number of approvals and appropriate employee consultation.

Petrochemicals

3Q	2Q	3Q		Nine Months	
2002	2003	2003	\$ million	2003	2002
=====				=====	
132	313	81	Replacement cost operating profit	533	411
140	(5)	43	Special items	38	215
-	-	-	Acquisition amortization	-	-
-----				-----	
			Pro forma operating result		
272	308	124	adjusted for special items	571	626
=====				=====	
120	134	109	(b) Chemicals Indicator Margin (a) (\$/te)	113	103
=====				=====	

Petrochemicals production (kte)

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858	714	771	UK	2,354	2,523
2,669	2,681	2,724	Rest of Europe	8,168	7,847
2,570	2,503	2,563	USA	7,602	7,754
783	872	982	Rest of World	2,666	2,255
-----				-----	
6,880	6,770	7,040	Total production	20,790	20,379
=====				=====	

(a) The Chemicals Indicator Margin (CIM) is a weighted average of externally-based product margins. It is based on market data collected by Nexant (formerly Chem Systems) in their quarterly market analyses, then weighted based on BP's product portfolio. It does not cover our entire portfolio of products, and consequently is only indicative rather than representative of the margins achieved by BP in any particular period. Amongst the products and businesses covered in the CIM are olefins and derivatives, the aromatics and derivatives, linear alpha-olefins (LAOs), acetic acid, vinyl acetate monomers and nitriles. Not included are fabrics and fibres, plastic fabrications, poly alpha-olefins (PAOs), anhydrides, speciality intermediates, and the remaining parts of the solvents and acetyls businesses.

(b) Provisional. The data for the third quarter is based on two months' actuals and one month of provisional data.

Petrochemicals

Petrochemicals pro forma result for the third quarter, after adjusting for special items, was \$124 million, down from \$308 million for the prior quarter. Following a stronger second quarter, petrochemicals margins were much weaker in the third quarter as a result of higher feedstock costs, particularly in Europe. Similar margin pressure occurred in the first quarter. The impact of lower

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margins was partly offset by slightly higher demand.

The special items of \$43 million included a provision to cover future rental payments on surplus property and a charge resulting from a reassessment of our environmental remediation provisions.

The nine months result was \$55 million below that of a year ago. The effect of increased volumes and margins was more than offset by lower income from SARS-affected businesses in Asia, several non-recurring items and portfolio rationalization.

Petrochemicals production of 7,040 thousand tonnes in the third quarter was 270 thousand tonnes above the second quarter, reflecting capacity additions and lower turnaround activity. Production for the first nine months was 411 thousand tonnes higher than last year due to Asian PTA and acetic acid capacity additions, the Veba acquisition and growth in market demand.

During the quarter, production commenced at a new world-scale high density polyethylene plant (BP 25%), located in Cedar Bayou, Texas.

Other Businesses and Corporate

3Q	2Q	3Q		Nine Months	
2002	2003	2003	\$ million	2003	2002
=====				=====	
(241)	(134)	(310)	Replacement cost operating loss	(609)	(494)
125	-	(10)	Special items	(10)	125
-	-	-	Acquisition amortization	-	-
-----				-----	
			Pro forma operating result		
(116)	(134)	(320)	adjusted for special items	(619)	(369)
=====				=====	

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Other businesses and corporate comprises Finance, the group's coal asset and aluminium asset, its investments in PetroChina and Sinopec, interest income and costs relating to corporate activities. The special item for the quarter is a credit resulting from a reassessment of our environmental remediation provisions. Although not classified as a special item, the result also includes a charge of \$132 million in respect of new environmental remediation provisions. During October, BP completed the sale of its 50% interest in the Indonesian coal mining company PT Kaltim Prima Coal to PT Bumi Resources.

Exceptional Items

3Q	2Q	3Q		Nine Months	
2002	2003	2003	\$ million	2003	2002
=====					
			Profit (loss) on sale of fixed assets and		
1,794	280	172	businesses or termination of operations	846	2,061
(25)	(149)	(4)	Taxation charge	(207)	(146)

1,769	131	168	Exceptional items after taxation	639	1,915
=====					

Exceptional items for the third quarter principally relate to net gains from the sale of various upstream interests.

2003 Dividends

3Q	2Q	3Q		Nine Months	
2002	2003	2003		2003	2002
=====					
Dividends per ordinary share					

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6.00	6.50	6.50	cents	19.25	17.75
3.897	4.039	3.857	pence	11.843	11.823
36.0	39.0	39.0	Dividends per ADS (cents)	115.3	106.5
-----				-----	

BP today announced a third quarterly dividend for 2003 of 6.50 cents per ordinary share. Holders of ordinary shares will receive 3.857 pence per share and holders of American Depositary Receipts (ADRs) \$0.39 per ADS share. The dividend is payable on 8 December to shareholders on the register on 14 November. 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 8 December. The fourth quarter 2003 results and dividend will be announced on 10 February 2004.

Outlook

BP Group Chief Executive, Lord Browne, concluded:

"World economic activity has strengthened through the third quarter. The US appears to have grown strongly, in part owing to further policy stimulus. Asia has also shown robust growth, in particular in China, but also in Japan. However, OECD industrial production has been largely flat, and Europe, as a whole, has grown slowly, with the exception of the UK. Further economic growth is expected in the fourth quarter.

"Crude oil prices in the third quarter were supported by strong crude demand on the back of high refining margins, the slow recovery in Iraqi exports and lower OPEC-10 production following the quota reductions that became effective in June. Commercial oil inventories remain below normal seasonal levels but a recovery in US crude stocks has resulted in a marked narrowing of the WTI-Brent differential. OPEC has announced a new quota cut, effective 1 November. Oil prices have risen by around \$5 per barrel since OPEC's 24 September announcement. The future path of oil

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prices will depend upon the recovery of exports from Iraq and the degree of OPEC's production restraint.

"US natural gas prices softened in the third quarter but remained high by historical standards and above residual fuel oil parity. Gas price differentials in the Rockies and San Juan Basin have narrowed significantly following the opening of the Kern River pipeline expansion. High prices throughout 2003 have led to large storage injections through the summer. Gas in storage has reached historical average levels and is expected to be sufficient for the forthcoming winter heating season, assuming normal weather.

"Refining margins have started the fourth quarter below the third quarter average but remain above historic average levels, particularly in the USA. The autumn refinery turnaround season is supporting margins at present but OECD commercial product inventories are recovering. Retail margins in the third quarter were below the second quarter levels but continued to be relatively strong, especially in western Europe and western USA. Fourth quarter margins are expected to soften further and revert to more typical levels.

"Petrochemical margins in the third quarter fell back from second quarter levels as a result of increases in feedstock costs despite some recovery of demand in Europe. Fourth quarter prospects will be influenced by continued strength in feedstock costs.

"Our capital expenditure, excluding acquisitions, was \$9.4 billion for the nine months. We now expect full year capital expenditure to be slightly below the \$14-14.5 billion range indicated previously, due to continuous refinement of our spending programmes. As previously indicated, we expect 2003 to be the peak of our medium term capital

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spending programme. As a follow-up to the completion of the TNK-BP deal in August, we have agreed to invest a further \$1.35 billion to expand TNK-BP to include AAR's 50% interest in Slavneft; we now expect to complete this transaction by year-end. We also expect to make the remaining two-thirds of the \$2 billion of incremental payments into a number of the group's pension plans announced in July. We expect gearing to be within our 25-35% target range following these events. In light of these factors, we do not currently plan any share buy-backs during the fourth quarter."

The foregoing discussion, in particular the statements under "Outlook", contains forward looking statements particularly those regarding BP's asset portfolio and changes in it, capital expenditure, costs, future performance, gearing, margins, pension plan support, prices, timing of pending transactions, and other trend projections. Forward looking statements by their nature involve risks and uncertainties 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; currency exchange rates; operational problems; general economic conditions; political stability and economic growth in relevant areas of the world; changes in governmental regulations; exchange rate fluctuations; development and use of new technology and successful commercial relationships; the actions of competitors; natural disasters and other changes in business conditions; prolonged adverse weather conditions; and wars and acts of terrorism or sabotage. For more information you should refer to our Annual Report and Accounts 2002 and our Annual Report on Form 20-F filed with the US Securities and Exchange Commission.

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BP p.l.c. and Subsidiaries

Summarized Group Results

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months	
=====				2003	2002
=====				=====	
\$ million				\$ million	
1,572	3,153	3,520	Exploration and Production	10,999	5,958
57	103	98	Gas, Power and Renewables	395	282
237	889	455	Refining and Marketing	1,975	908
132	313	81	Petrochemicals	533	411
(241)	(134)	(310)	Other businesses and corporate	(609)	(494)
-----				-----	
			Total replacement cost		
1,757	4,324	3,844	operating profit	13,293	7,065
			Profit (loss) on sale of		
			fixed assets and businesses or		
1,794	280	172	termination of operations (Note 4)	846	2,061
-----				-----	
			Replacement cost profit before		
3,551	4,604	4,016	interest and tax	14,139	9,126
305	(951)	84	Stock holding gains (losses) (Note 5)	(68)	1,303
-----				-----	
			Historical cost profit before		
3,856	3,653	4,100	interest and tax	14,071	10,429
300	191	213	Interest expense (Note 6)	624	947
-----				-----	
3,556	3,462	3,887	Profit before taxation	13,447	9,482

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713	1,768	1,450	Taxation (Note 7)	5,023	3,217

2,843	1,694	2,437	Profit after taxation	8,424	6,265
3	60	43	Minority shareholders' interest	129	71

2,840	1,634	2,394	Profit for the period	8,295	6,194

1,340	1,434	1,438	Distribution to shareholders	4,258	3,977
=====					
Earnings per ordinary share - cents					
12.67	7.41	10.85	Basic	37.37	27.63
12.61	7.39	10.74	Diluted	37.18	27.49
=====					
Replacement Cost Results					
Historical cost profit					
2,840	1,634	2,394	for the period	8,295	6,194
Stock holding (gains) losses					
(305)	951	(84)	net of MSI	68	(1,278)

Replacement cost profit					
2,535	2,585	2,310	for the period	8,363	4,916
(1,769)	(131)	(168)	Exceptional items, net of tax	(639)	(1,915)

Replacement cost profit before					
766	2,454	2,142	exceptional items	7,724	3,001

Earnings per ordinary share - cents					
On replacement cost profit before					
3.42	11.08	9.71	exceptional items	34.80	13.39
=====					

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Summarized Group Balance Sheet

	30 September 2003	31 December 2002

	\$ million	
Fixed assets		
Intangible assets	13,631	15,566
Tangible assets	88,930	87,682
Investments	16,935	10,811

	119,496	114,059

Current assets		
Stocks	10,868	10,181
Debtors	38,243	33,150
Investments	404	215
Cash at bank and in hand	1,091	1,520

	50,606	45,066
Creditors - amounts falling due within one year		
Finance debt	6,811	10,086
Other creditors	41,191	36,215

Net current assets (liabilities)	2,604	(1,235)

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Total assets less current liabilities	122,100	112,824
Creditors - amounts falling due		
after more than one year		
Finance debt	13,159	11,922
Other creditors	5,778	3,455
Provisions for liabilities and charges		
Deferred taxation	14,282	13,514
Other provisions	14,525	13,886

Net assets	74,356	70,047
Minority shareholders' interest - equity	1,074	638

BP shareholders' interest	73,282	69,409
	=====	

Movement in BP shareholders' interest:	\$ million
At 31 December 2002	69,409
Profit for the period	8,295
Distribution to shareholders	(4,258)
Currency translation differences (net of tax)	1,723
Issue of ordinary share capital for employee share schemes	112
Repurchase of ordinary share capital	(1,999)

At 30 September 2003	73,282
	=====

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Summarized Group Cash Flow Statement

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months 2003	2002
=====				=====	
\$ million				\$ million	
			Net cash inflow from		
4,376	7,346	4,891	operating activities (a)	18,198	13,145

30	28	39	Dividends from joint ventures	80	129

			Dividends from		
96	177	65	associated undertakings	297	303

			Servicing of finance and returns		
			on investments		
63	52	41	Interest received	124	168
(218)	(446)	(163)	Interest paid	(816)	(869)
4	42	26	Dividends received	74	64
			Dividends paid to		
(13)	(11)	(4)	minority shareholders	(17)	(29)

			Net cash outflow from servicing of		
(164)	(363)	(100)	finance and returns on investments	(635)	(666)

			Taxation		
(206)	(280)	(264)	UK corporation tax	(856)	(560)
(455)	(1,573)	(539)	Overseas tax	(2,432)	(1,473)

(661)	(1,853)	(803)	Tax paid	(3,288)	(2,033)

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-----				-----	
			Capital expenditure and financial investment		
(2,980)	(2,760)	(3,063)	Payments for fixed assets	(8,700)	(8,572)
			Proceeds from the sale of fixed assets	4,843	1,744
488	1,652	874			
-----				-----	
			Net cash outflow for capital expenditure and financial investment	(3,857)	(6,828)
(2,492)	(1,108)	(2,189)			
-----				-----	
			Acquisitions and disposals Investments in associated undertakings	(760)	(756)
(125)	(331)	(243)	Proceeds from the sale of investment in Ruhrgas	-	2,338
2,338	-	-	Acquisitions, net of cash acquired	(178)	(4,296)
(2,607)	(150)	(28)	Acquisition of investment in TNK-BP joint venture	(2,625)	-
-	-	(2,625)	Net investment in other joint ventures	(16)	(137)
(23)	(2)	-	Proceeds from the sale of businesses	179	1,670
55	19	-			
-----				-----	
			Net cash outflow for acquisitions and disposals	(3,400)	(1,181)
(362)	(464)	(2,896)			
-----				-----	
(1,346)	(1,386)	(1,433)	Equity dividends paid	(4,216)	(3,924)
-----				-----	
(523)	2,377	(2,426)	Net cash inflow (outflow)	3,179	(1,055)
=====				=====	

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(219)	1,355	(1,471)	Financing (b)	3,477	(485)
(32)	93	76	Management of liquid resources	182	(164)
(272)	929	(1,031)	(Decrease) increase in cash	(480)	(406)

(523)	2,377	(2,426)		3,179	(1,055)
=====					

Analysis of Cash Flow

Third Quarter	Second Quarter	Third Quarter		Nine Months	
2002	2003	2003		2003	2002
=====					
\$ million				\$ million	

(a) Reconciliation of historical
cost profit before interest
and tax to net cash inflow
from operating activities

Third Quarter	Second Quarter	Third Quarter		Nine Months	
2002	2003	2003		2003	2002
=====					
\$ million				\$ million	
			Historical cost profit before		
3,856	3,653	4,100	interest and tax	14,071	10,429
3,506	2,653	2,485	Depreciation and amounts provided	7,847	7,886
			Exploration expenditure		
55	43	75	written off	168	261
			Share of profits of joint ventures		
(172)	(207)	(433)	and associated undertakings	(944)	(716)
(62)	(100)	(72)	Interest and other income	(220)	(243)
			(Profit) loss on sale of fixed		
(1,796)	(280)	(172)	assets and businesses	(846)	(2,061)
332	204	765	Charge for provisions	1,171	826

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(392)	(316)	(278)	Utilization of provisions	(822)	(1,003)
(155)	193	(1,048)	(Increase) decrease in stocks	(479)	(1,458)
(379)	3,252	(638)	(Increase) decrease in debtors	(4,321)	(2,403)
(417)	(1,749)	107	Increase (decrease) in creditors	2,573	1,627

			Net cash inflow from		
4,376	7,346	4,891	operating activities	18,198	13,145
=====					

(b) Financing

(558)	(208)	(1,433)	Long-term borrowing	(2,656)	(3,056)
567	607	1,774	Repayments of long-term borrowing	2,784	1,464
(1,627)	(418)	(1,924)	Short-term borrowing	(2,968)	(5,879)
			Repayments of short-term		
704	388	143	borrowing	4,430	6,414

(914)	369	(1,440)		1,590	(1,057)
(55)	(14)	(31)	Issue of ordinary share capital	(112)	(178)
			Repurchase of ordinary		
750	1,000	-	share capital	1,999	750

			Net cash outflow		
(219)	1,355	(1,471)	(inflow)from financing	3,477	(485)
=====					

Capital Expenditure and Acquisitions

Third Second Third

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Quarter	Quarter	Quarter			Nine Months	
2002	2003	2003			2003	2002
=====			=====			
\$ million			\$ million			
By business						
Exploration and Production						
270	220	182	UK		598	778
61	73	80	Rest of Europe		204	189
980	1,009	989	USA		2,964	3,224
929	1,160	6,999	Rest of World(a)		9,083	2,935
-----			-----			
2,240	2,462	8,250			12,849	7,126
-----			-----			
Gas, Power and Renewables						
7	24	15	UK		47	28
29	9	6	Rest of Europe (b)		30	120
52	48	18	USA		104	100
19	17	19	Rest of World		43	37
-----			-----			
107	98	58			224	285
-----			-----			
Refining and Marketing						
56	66	89	UK		228	232
198	64	169	Rest of Europe (c)		337	5,486
298	228	322	USA		886	861
53	27	79	Rest of World		130	128
-----			-----			
605	385	659			1,581	6,707
-----			-----			
Petrochemicals						

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30	30	51	UK	81	55
58	21	16	Rest of Europe	68	163
49	95	55	USA	196	146
43	52	60	Rest of World	131	174
-----				-----	
180	198	182		476	538
-----				-----	
48	183	59	Other businesses and corporate(d)	278	367
-----				-----	
3,180	3,326	9,208		15,408	15,023
=====				=====	

By geographical area

394	361	377	UK	1,039	1,203
353	167	271	Rest of Europe	640	6,158
1,389	1,542	1,403	USA	4,341	4,387
1,044	1,256	7,157	Rest of World	9,388	3,275
-----				-----	
3,180	3,326	9,208		15,408	15,023
=====				=====	

(a) Third quarter and nine months 2003 included the investment in the TNK-BP joint venture.

Nine months 2002 included the acquisition of an additional interest in Sidanco.

(b) Nine months 2002 included the acquisition of a 5% stake in Enagas.

(c) Nine months 2002 included the acquisition of 100% of Veba.

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(d) Nine months 2002 included the acquisition of the minority interest in Veba's upstream oil and gas assets.

US dollar/Sterling exchange rates

1.55	1.62	1.61	Average rate for the period	1.61	1.48
1.55	1.65	1.66	Period-end rate	1.66	1.55
=====				=====	

Analysis of Replacement Cost Operating Profit

Third Quarter	Second Quarter	Third Quarter			
2002	2003	2003	Nine Months		
			2003	2002	
=====			=====		

\$ million

\$ million

By business

Exploration and Production

185	473	582	UK	2,189	1,561
213	141	124	Rest of Europe	458	537
661	1,441	1,368	USA	4,614	1,754
513	1,098	1,446	Rest of World	3,738	2,106
-----				-----	

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1,572	3,153	3,520		10,999	5,958

			Gas, Power and Renewables		
(66)	18	13	UK	34	(63)
17	(5)	(12)	Rest of Europe	(26)	99
28	85	54	USA	175	16
78	5	43	Rest of World	212	230

57	103	98		395	282

			Refining and Marketing		
(158)	(31)	(119)	UK	(124)	(343)
236	423	325	Rest of Europe	1,085	624
55	323	51	USA	471	255
104	174	198	Rest of World	543	372

237	889	455		1,975	908

			Petrochemicals		
6	25	(63)	UK	(72)	(35)
161	199	54	Rest of Europe	341	272
54	65	47	USA	154	161
(89)	24	43	Rest of World	110	13

132	313	81		533	411

(241)	(134)	(310)	Other businesses and corporate	(609)	(494)

1,757	4,324	3,844		13,293	7,065
=====					

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By geographical area

(131)	363	314	UK	1,730	903
620	756	494	Rest of Europe	1,852	1,532
672	1,863	1,295	USA	5,040	1,933
596	1,342	1,741	Rest of World	4,671	2,697

1,757	4,324	3,844		13,293	7,065
=====					
Included above					
104	101	303	Share of profits of joint ventures	521	263
Share of profits of					
71	110	128	associated undertakings	418	455

175	211	431		939	718
=====					

Notes

1. Turnover

Third Quarter	Second Quarter	Third Quarter	Nine Months	
2002	2003	2003	2003	2002
=====				
\$ million			\$ million	

By business

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6,220	7,433	7,310	Exploration and Production	23,811	18,397
9,313	14,875	15,904	Gas, Power and Renewables	48,777	25,316
35,634	36,949	40,245	Refining and Marketing	118,629	92,393
3,720	4,003	3,798	Petrochemicals	11,739	9,946
			Other businesses		
108	129	138	and corporate	378	379

54,995	63,389	67,395		203,334	146,431
			Less: sales between		
5,941	7,082	7,253	businesses	23,097	17,432

49,054	56,307	60,142	Group excluding JVs	180,237	128,999
			Share of sales by		
369	364	914	joint ventures	1,676	1,052

49,423	56,671	61,056		181,913	130,051
=====					
			By geographical area		
			Group excluding JVs		
12,160	13,456	12,856	UK	41,739	35,664
13,460	12,206	12,181	Rest of Europe	37,409	34,798
22,880	25,984	31,011	USA	88,093	57,808
8,537	12,102	12,766	Rest of World	38,604	23,556

57,037	63,748	68,814		205,845	151,826
			Less: sales between		
7,983	7,441	8,672	areas	25,608	22,827

49,054	56,307	60,142		180,237	128,999
=====					

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2. Replacement cost profit

Replacement cost profits reflect the current cost of supplies. The replacement cost profit for the period is arrived at by excluding from the historical cost profit stock holding gains and losses.

Notes

3. Operating profits are after charging:

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months 2003	2002
=====				=====	
\$ million				\$ million	
			Exploration expense		
16	2	11	UK	16	26
5	5	23	Rest of Europe	32	41
53	47	60	USA	144	228
45	47	42	Rest of World	157	170
-----				-----	
119	101	136		349	465
=====				=====	
			Production taxes (a)		
92	58	65	UK petroleum revenue tax	256	245
258	324	351	Overseas production taxes	1,046	667
-----				-----	

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350	382	416		1,302	912
=====				=====	

(a) Production taxes are charged against Exploration and Production's operating profit and are not included in the charge for taxation in Note 7.

4. Analysis of exceptional items

(25)	333	196	Exploration and Production	962	407
1,585	6	(2)	Gas, Power and Renewables	4	1,584
262	(49)	(21)	Refining and Marketing	(122)	248
11	2	13	Petrochemicals	22	(134)
(39)	(12)	(14)	Other businesses and corporate	(20)	(44)
-----				-----	
			Profit (loss) on sale of fixed assets and businesses or		
1,794	280	172	termination of operations	846	2,061
(25)	(149)	(4)	Taxation charge	(207)	(146)
-----				-----	
			Exceptional items		
1,769	131	168	after taxation	639	1,915
=====				=====	

Notes

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5. Stock holding gains (losses)

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months 2003	2002
=====				=====	
\$ million				\$ million	
3	(3)	-	Exploration and Production	3	5
2	(72)	(7)	Gas, Power and Renewables	(52)	10
311	(773)	89	Refining and Marketing	(64)	1,250
(11)	(103)	2	Petrochemicals	45	38
-----				-----	
305	(951)	84		(68)	1,303
-	-	-	Minority shareholders' interest	-	25
-----				-----	
305	(951)	84		(68)	1,278
=====				=====	

6. Interest expense

250	163	178	Group interest payable (a)	528	778
(27)	(43)	(53)	Capitalized	(130)	(67)
-----				-----	
223	120	125		398	711
15	17	23	Joint ventures	53	44
19	12	11	Associated undertakings	33	64
			Unwinding of discount		

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43	42	45	on provisions	131	128
			Unwinding of discount on		
			deferred consideration for		
			acquisition of investment		
-	-	9	in TNK-BP	9	-
-----				-----	
300	191	213		624	947
=====				=====	

(a) Includes charges
relating to the early
redemption of debt

-	3	18		21	-
-----				-----	

7. Charge for taxation

463	1,406	1,528	Current	4,515	2,036
250	362	(78)	Deferred(a)	508	1,181
-----				-----	
713	1,768	1,450		5,023	3,217
=====				=====	
235	413	280	UK (a)	1,178	1,070
478	1,355	1,170	Overseas	3,845	2,147
-----				-----	
713	1,768	1,450		5,023	3,217
=====				=====	

(a) Includes the adjustment
to the North Sea deferred
tax balance for the
supplementary

-	-	-	UK corporation tax of 10%	-	355
-----				-----	

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Notes

8. Analysis of changes in net debt

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months 2003	2002
=====				=====	
\$ million				\$ million	
			Opening balance		
21,409	19,042	18,594	Finance debt	22,008	21,417
1,284	1,151	2,115	Less: Cash	1,520	1,358
285	228	329	Current asset investments	215	450
-----				-----	
19,840	17,663	16,150	Opening net debt	20,273	19,609
-----				-----	
			Closing balance		
22,276	18,594	19,970	Finance debt	19,970	22,276
1,005	2,115	1,091	Less: Cash	1,091	1,005
285	329	404	Current asset investments	404	285
-----				-----	
20,986	16,150	18,475	Closing net debt	18,475	20,986
-----				-----	
			Decrease (increase)		
(1,146)	1,513	(2,325)	in net debt	1,798	(1,377)
=====				=====	
Movement in cash/					

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(272)	929	(1,031)	bank overdrafts	(480)	(406)
			Increase (decrease) in		
(32)	93	76	current asset investments	182	(164)
			Net cash outflow (inflow)		
			from financing(excluding		
(914)	369	(1,440)	share capital)	1,590	(1,057)
			Partnership interests		
-	-	-	exchanged for BP loan notes	-	1,135
-	-	93	Debt transferred to TNK-BP	93	-
			Exchange of Exchangeable Bonds		
			for Lukoil American		
-	-	-	Depository Shares	420	-
13	106	(31)	Other movements	139	57
-	-	(12)	Debt acquired	(12)	(999)
-----				-----	
			Movement in net debt before		
(1,205)	1,497	(2,345)	exchange effects	1,932	(1,434)
59	16	20	Exchange adjustments	(134)	57
-----				-----	
			Decrease (increase)		
(1,146)	1,513	(2,325)	in net debt	1,798	(1,377)
=====				=====	

Notes

9. TNK-BP Operational and Financial Information

29 August -

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30 September

2003

=====

Production (Net of royalties) (BP share)

Crude oil (mb/d)	654
Natural gas (mmcf/d)	239
Total hydrocarbons (mboe/d) (a)	695

Income statement (BP share)

\$ million

Replacement cost operating profit	158
Profit (loss) on sale of fixed assets and businesses	-
Stock holding gains (losses)	-
Interest expense (b)	(13)
Taxation	(30)
Minority shareholders' interest	(1)

Net Income	114
------------	-----

=====

Replacement cost profit before exceptional items	114
--------------------------------------------------	-----

=====

Balance Sheet

30 September

2003

=====

\$ million

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Fixed assets - investments	
Gross assets	10,131
Gross liabilities	(3,267)

	6,864
	=====
Deferred consideration	
Due within one year	1,218
Due after more than one year	2,336

	3,554
	=====
Cash Flow	
Net investment in joint ventures	(2,625)
	=====

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

(b) Does not include \$9 million unwinding of discount on deferred
consideration.

Notes

10. Consolidated statement of cash flows presented on a US GAAP format

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Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months 2003	Nine Months 2002
=====				=====	
\$ million				\$ million	
			Operating activities		
2,843	1,694	2,437	Profit after taxation	8,424	6,265
			Adjustments to reconcile profits after tax to net cash provided by operating activities		
			Depreciation and amounts provided	7,847	7,886
3,506	2,653	2,485	Exploration expenditure written off	168	261
55	43	75	Share of (profit) loss of joint ventures and associates less dividends received	(315)	11
51	30	(197)	(Profit) loss on sale of businesses and fixed assets	(846)	(2,061)
(1,796)	(280)	(172)	Working capital movement (see analysis below)	(1,241)	(2,323)
(1,002)	1,107	(873)	Deferred taxation	508	1,181
250	362	(78)	Other	254	(247)
(191)	(220)	472			
-----				-----	
			Net cash provided by operating activities	14,799	10,973
3,716	5,389	4,149			
-----				-----	
			Investing activities		

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(3,007)	(2,803)	(3,116)	Capital expenditures	(8,830)	(8,639)
			Acquisitions, net of		
(2,607)	(150)	(2,653)	cash acquired	(2,803)	(4,296)
			Investment in		
(125)	(331)	(243)	associated undertakings	(760)	(756)
			Net investment in		
(23)	(2)	-	joint ventures	(16)	(137)
			Proceeds from		
2,881	1,671	874	disposal of assets	5,022	5,752
-----				-----	
			Net cash used in		
(2,881)	(1,615)	(5,138)	investing activities	(7,387)	(8,076)
-----				-----	

Notes

10. Consolidated statement of cash flows presented on a US GAAP format
(continued)

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months 2003	2002
=====				=====	
\$ million				\$ million	
			Financing activities		
			Net proceeds from shares		
(695)	(986)	31	issued (repurchased)	(1,887)	(572)

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			Proceeds from		
558	208	1,433	long-term financing	2,656	3,056
			Repayments of		
(567)	(607)	(1,774)	long-term financing	(2,784)	(1,464)
			Net (decrease) increase		
923	30	1,781	in short-term debt	(1,462)	(535)
			Dividends paid		
(1,346)	(1,386)	(1,433)	- BP shareholders	(4,216)	(3,924)
(13)	(11)	(4)	- Minority shareholders	(17)	(29)

			Net cash used in		
(1,140)	(2,752)	34	financing activities	(7,710)	(3,468)

			Currency translation		
			differences relating to		
26	43	6	cash and cash equivalents	58	53

			(Decrease) increase in		
(279)	1,065	(949)	cash and cash equivalents	(240)	(518)
			Cash and cash equivalents		
1,569	1,379	2,444	at beginning of period	1,735	1,808

			Cash and cash equivalents		
1,290	2,444	1,495	at end of period	1,495	1,290

			Analysis of working		
			capital movement		
			(Increase) decrease		

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(155)	193	(1,048)	in stocks	(479)	(1,458)
			(Increase) decrease		
(345)	3,234	(656)	in debtors	(4,368)	(2,479)
			Increase (decrease)		
(502)	(2,320)	831	in creditors	3,606	1,614

			Total working		
(1,002)	1,107	(873)	capital movement	(1,241)	(2,323)
=====					

Notes

11. Ordinary shares

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months 2003	2002
=====					
(shares thousand)				(shares thousand)	
Shares in					
issue at period					
22,374,747	22,101,622	22,107,715	end (a)	22,107,715	22,374,747
Average number					
of shares					
outstanding					
22,408,297	22,164,026	22,092,365	(b)	22,193,403	22,412,655

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- (a) Each BP ADS represents six BP Ordinary Shares.
- (b) Excludes shares held by the Employee Share Ownership Plans.

12. Statutory accounts

The financial information shown in this publication is unaudited and does not constitute statutory accounts. The 2002 group accounts have been delivered to the UK Registrar of Companies; the report of the auditors on those accounts was unqualified.

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	-----	-----
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<http://www.bp.com/investors>

BP p.l.c.
Group Results
Third Quarter 2003

London 28 October 2003

INVESTOR RELATIONS SUPPLEMENT

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REPLACEMENT COST OPERATING PROFIT ADJUSTED FOR SPECIAL ITEMS (a) AND ACQUISITION
AMORTIZATION (b)

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months	
=====				2003	2002
=====				=====	
\$ million					
Exploration and Production					
668	519	614	UK	2,353	2,245
213	141	124	Rest of Europe	458	537
1,059	1,698	1,608	USA	5,451	2,771
1,110	1,231	1,467	Rest of World	4,028	2,786
-----				-----	
3,050	3,589	3,813		12,290	8,339
-----				-----	
Gas, Power and Renewables					
(36)	18	13	UK	34	(33)
17	(5)	(12)	Rest of Europe	(26)	99
28	85	54	USA	175	16
78	5	43	Rest of World	212	230
-----				-----	
87	103	98		395	312
-----				-----	
Refining and Marketing					
(36)	79	(9)	UK	206	(24)
274	464	397	Rest of Europe	1,216	711
180	418	392	USA	1,002	435
104	174	198	Rest of World	543	372

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-----				-----	
522	1,135	978		2,967	1,494
-----				-----	
			Petrochemicals		
6	25	(27)	UK	(36)	(13)
161	199	54	Rest of Europe	341	290
54	60	54	USA	156	196
51	24	43	Rest of World	110	153
-----				-----	
272	308	124		571	626
-----				-----	
			Other businesses and corporate		
(63)	(122)	(99)	UK	(297)	(182)
(7)	(2)	3	Rest of Europe	(6)	-
(36)	(51)	(235)	USA	(384)	(163)
(10)	41	11	Rest of World	68	(24)
-----				-----	
(116)	(134)	(320)		(619)	(369)
-----				-----	
3,815	5,001	4,693		15,604	10,402
=====				=====	

- (a) The special items refer to non-recurring charges and credits. The special items for the third quarter comprise net charges resulting from the reassessment of environmental remediation provisions, Veba integration costs in Refining and Marketing and a provision to cover future rental payments on surplus property in Petrochemicals.
- (b) Acquisition amortization is depreciation and amortization relating to the fixed asset revaluation adjustments and goodwill consequent upon the ARCO and Burmah Castrol acquisitions.

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PER SHARE AMOUNTS

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months 2003	2002
=====					
			Shares in issue at period end (thousand)		
22,374,747	22,101,622	22,107,715		22,107,715	22,374,747
			- ADS equivalent (thousand)		
3,729,125	3,683,604	3,684,619		3,684,619	3,729,125
			Average number of shares outstanding (thousand) *		
22,408,297	22,164,026	22,092,365		22,193,403	22,412,655
			- ADS equivalent (thousand)		
3,734,716	3,694,004	3,682,061		3,698,901	3,735,443

			Replacement cost profit after exceptional items (\$m)		
2,535	2,585	2,310		8,363	4,916
			cents/ordinary share		
11.31	11.68	10.47		37.68	21.93
			dollars/ADS		
0.68	0.70	0.63		2.26	1.32

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			Replacement cost			
			profit before			
			exceptional			
766	2,454	2,142	items (\$m)	7,724	3,001	
			cents/ordinary			
3.42	11.08	9.71	share	34.80	13.39	
0.20	0.67	0.58	dollars/ADS	2.09	0.80	
-----				-----		
			Pro forma result			
			adjusted for special			
2,299	3,115	2,868	items (\$m)	9,712	6,080	
10.26	14.06	13.00	cents/ordinary share	43.76	27.12	
0.62	0.85	0.78	dollars/ADS	2.63	1.62	
-----				-----		

* Excludes shares held by the Employee Share Ownership Plans.

ACQUISITION AMORTIZATION BY BUSINESS

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003			
			Nine Months		
			2003	2002	
=====			=====		
\$ million					
Exploration and Production					
378	34	32	UK	99	447
283	257	240	USA	756	832
114	133	21	Rest of World	285	182

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775	424	293		1,140	1,461

Refining and Marketing					
106	110	110	UK	330	303
96	95	95	USA	285	288

202	205	205		615	591

977	629	498	Total acquisition amortization	1,755	2,052
=====					

SPECIAL ITEMS BY BUSINESS (PRE-TAX)

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months	
				2003	2002
=====					

\$ million

Exploration and Production					
105	12	-	UK	65	237
-	-	-	Rest of Europe	-	-
115	-	-	USA	81	185
483	-	-	Rest of World	5	498

703	12	-		151	920

Gas, Power and Renewables

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30	-	-	UK	-	30
-	-	-	Rest of Europe	-	-
-	-	-	USA	-	-
-	-	-	Rest of World	-	-

30	-	-		-	30

Refining and Marketing					
16	-	-	UK	-	16
38	41	72	Rest of Europe	131	87
29	-	246	USA	246	(108)
-	-	-	Rest of World	-	-

83	41	318		377	(5)

Petrochemicals					
-	-	36	UK	36	22
-	-	-	Rest of Europe	-	18
-	(5)	7	USA	2	35
140	-	-	Rest of World	-	140

140	(5)	43		38	215

Other businesses and corporate					
35	-	-	UK	-	35
-	-	-	Rest of Europe	-	-
90	-	(10)	USA	(10)	90
-	-	-	Rest of World	-	-

125	-	(10)		(10)	125

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1,081	48	351	Total	556	1,285
=====				=====	

PRODUCTION AND REALIZATIONS

Third	Second	Third			
Quarter	Quarter	Quarter		Nine Months	
2002	2003	2003		2003	2002
=====				=====	

Production

Crude oil (mb/d) (net of royalties)

395	325	312	UK	359	436
101	80	74	Rest of Europe	81	100
561	569	558	USA	578	584
679	738	908	Rest of World	780	646
-----				-----	
1,736	1,712	1,852	Total crude oil production	1,798	1,766
=====				=====	

Natural gas liquids (mb/d) (net of royalties)

19	18	23	UK	24	23
6	5	5	Rest of Europe	5	6
193	144	141	USA	150	184
29	32	33	Rest of World	32	29
-----				-----	
247	199	202	Total natural gas liquids production	211	242
=====				=====	

Liquids (b) (mb/d) (net of royalties)

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414	343	335	UK	383	459
107	85	79	Rest of Europe	86	106
754	713	699	USA	728	768
708	770	941	Rest of World	812	675

1,983	1,911	2,054	Total liquids production	2,009	2,008
=====					
Natural gas (a) (mmcf/d) (net of royalties)					
1,240	1,407	1,267	UK	1,489	1,488
131	103	98	Rest of Europe	111	150
3,450	3,145	3,005	USA	3,194	3,525
3,661	3,784	4,031	Rest of World	3,823	3,468

8,482	8,439	8,401	Total natural gas production	8,617	8,631
=====					
Average realizations					
Crude oil (\$/bbl)					
26.78	25.16	27.68	UK	28.33	24.22
25.86	27.09	28.61	USA	29.19	23.15
25.13	24.16	26.30	Rest of World	26.69	22.36
26.01	25.73	27.72	BP Average	28.25	23.35
=====					
Natural gas liquids (\$/bbl)					
15.30	11.97	22.62	UK	20.09	14.43
12.59	17.80	18.37	USA	18.15	11.62
13.75	20.16	21.76	Rest of World	21.65	13.07
13.15	17.49	19.39	BP Average	18.96	12.23
=====					
Liquids (b) (\$/bbl)					
26.26	24.45	27.34	UK	27.83	23.74
22.94	25.61	26.90	USA	27.34	20.71

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24.43	23.93	25.98	Rest of World	26.35	21.81
24.40	24.90	26.79	BP Average	27.24	21.99
=====					
Natural gas (\$/mcf)					
2.58	2.84	2.69	UK	2.99	2.75
2.34	4.52	4.14	USA	4.66	2.41
1.99	2.53	2.31	Rest of World	2.51	1.99
2.25	3.39	3.08	BP Average	3.46	2.32
=====					

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

(b) Crude oil and natural gas liquids.

RECONCILIATION OF HISTORICAL COST PROFIT (LOSS)
TO PRO FORMA RESULT ADJUSTED FOR SPECIAL ITEMS

\$ million	Reported Earnings	Acquisition Amortization	pro forma result adjusted for special items	
			Special Items (a)	special items
=====				
2Q 2003				
Exploration and Production	3,153	424	12	3,589
Gas, Power and Renewables	103	-	-	103
Refining and Marketing	889	205	41	1,135
Petrochemicals	313	-	(5)	308

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Other businesses & corporate	(134)	-	-	(134)

RC operating profit	4,324	629	48	5,001

Interest expense	(191)	-	-	(191)
Taxation	(1,619)	-	(16)	(1,635)
MSI	(60)	-	-	(60)

RC profit before				
exceptional items	2,454	629	32	3,115
=====				
Exceptional items before tax	280			
Taxation on exceptional items	(149)			

RC profit after				
exceptional items	2,585			
Stock holding gains (losses)	(951)			

HC profit	1,634			
=====				
3Q 2002				
Exploration and Production	1,572	775	703	3,050
Gas, Power and Renewables	57	-	30	87
Refining and Marketing	237	202	83	522
Petrochemicals	132	-	140	272
Other businesses & corporate	(241)	-	125	(116)

RC operating profit	1,757	977	1,081	3,815

Interest expense	(300)	-	-	(300)

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Taxation	(688)	-	(525)	(1,213)
MSI	(3)	-	-	(3)

RC profit before				
exceptional items	766	977	556	2,299
=====				
Exceptional items before tax	1,794			
Taxation on exceptional items	(25)			

RC profit after				
exceptional items	2,535			
Stock holding gains (losses)	305			

HC profit	2,840			
=====				

(a) The special items for the second quarter 2003 are restructuring costs in Exploration and Production, Veba integration costs in Refining and Marketing and a reduction in the provision for costs associated with closure of polypropylene capacity in Petrochemicals. The special items in the third quarter 2002 include impairment charges and restructuring costs in Exploration & Production, an impairment charge in Gas, Power & Renewables, integration and certain other costs in Refining and Marketing, an impairment charge in Petrochemicals and a provision to cover future rental payments on surplus leasehold office accommodation in Other businesses and corporate.

RECONCILIATION OF HISTORICAL COST PROFIT (LOSS)
TO PRO FORMA RESULT ADJUSTED FOR SPECIAL ITEMS

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			pro forma result	
			adjusted for	
\$ million	Reported	Acquisition	Special	special
	Earnings	Amortization	Items (a)	items
	=====			
Nine months 2003				
Exploration and Production	10,999	1,140	151	12,290
Gas, Power and Renewables	395	-	-	395
Refining and Marketing	1,975	615	377	2,967
Petrochemicals	533	-	38	571
Other businesses & corporate	(609)	-	(10)	(619)

RC operating profit	13,293	1,755	556	15,604

Interest expense	(624)	-	-	(624)
Taxation	(4,816)	-	(323)	(5,139)
MSI	(129)	-	-	(129)

RC profit before				
exceptional items	7,724	1,755	233	9,712
				=====
Exceptional items before tax	846			
Taxation on exceptional items	(207)			

RC profit after				
exceptional items	8,363			
Stock holding gains (losses)	(68)			

HC profit	8,295			

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	=====			
Nine months 2002				
Exploration and Production	5,958	1,461	920	8,339
Gas, Power and Renewables	282	-	30	312
Refining and Marketing	908	591	(5)	1,494
Petrochemicals	411	-	215	626
Other businesses & corporate	(494)	-	125	(369)

RC operating profit	7,065	2,052	1,285	10,402

Interest expense	(947)	-	-	(947)
Taxation	(3,071)	-	(242)	(3,313)
MSI	(46)	-	(16)	(62)

RC profit before				
exceptional items	3,001	2,052	1,027	6,080
		=====		
Exceptional items before tax	2,061			
Taxation on exceptional items	(146)			

RC profit after				
exceptional items	4,916			
Stock holding gains (losses)	1,278			

HC profit	6,194			
	=====			

(a) The special items for the nine months 2003 comprise restructuring and impairment charges in Exploration and Production, Veba integration costs

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and environmental charges in Refining and Marketing, restructuring costs, environmental charges and a reduction in the provision for costs associated with closure of polypropylene capacity in Petrochemicals, a credit related to environmental remediation provisions in Other Businesses and Corporate and tax restructuring benefits. The special items for the nine months 2002 comprise restructuring charges for Exploration and Production and Petrochemicals, Veba, Solvay and Erdolchemie integration costs, business interruption insurance proceeds and costs related to a pipeline incident in Refining and Marketing, an adjustment to the North Sea deferred tax balance for the supplementary UK corporation tax rate, impairment charges in Exploration and Production and Gas, Power and Renewables and provisions against the investments in Indonesia in Petrochemicals and for lease payments for vacant office space in Other businesses and corporate.

REPLACEMENT COST OPERATING PROFIT ADJUSTED FOR
NON-CASH CHARGES AND CERTAIN OTHER ITEMS

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003	Nine Months 2003 2002	
=====			=====	

\$ million

Replacement cost operating profit				
1,757	4,324	3,844	(reported) (a)	13,293 7,065

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3,506	2,653	2,485	Depreciation and amounts provided (b)	7,847	7,886
55	43	75	Exploration expenditure written off	168	261
			Dividends from JVs and associates		
(49)	(6)	(327)	less share of RCOP	(562)	(286)
(13)	(11)	(4)	Dividends paid to minority shareholders	(17)	(29)
(60)	(112)	487	Adjust provisions to cash basis (c)	349	(177)
			Adjust interest and other income		
5	(6)	(5)	to cash basis (d)	(22)	(11)
-----				-----	
5,201	6,885	6,555		21,056	14,709
(712)	(1,861)	(856)	Tax paid adjusted for certain items*	(3,367)	(2,191)
-----				-----	
4,489	5,024	5,699	Adjusted RCOP after tax paid	17,689	12,518
-----				-----	
			* Calculation of tax paid adjusted		
			for certain items		
(661)	(1,853)	(803)	Cash tax paid	(3,288)	(2,033)
25	149	4	Tax charge on exceptional items	207	146
(76)	(157)	(57)	Tax shield assumption +	(286)	(304)
-----				-----	
(712)	(1,861)	(856)		(3,367)	(2,191)
-----				-----	
			+ Calculation of tax shield assumption		
(218)	(446)	(163)	Interest paid	(816)	(869)
35%	35%	35%	Tax rate assumption (e)	35%	35%
-----				-----	
(76)	(157)	(57)		(286)	(304)
-----				-----	

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- (a) Total replacement cost operating profit is before tax, exceptional items, stock holding gains and losses and interest expense.
- (b) Includes depreciation and amortization relating to the fixed asset revaluation adjustment and goodwill consequent upon the ARCO and Burmah Castrol acquisitions.
- (c) Add the amount by which the charge for provisions exceeds the utilization of provisions.
- (d) Deduct the amount by which interest and other income exceeds the total of interest received and dividends received from the group cash flow statement.
- (e) Deemed tax rate for tax shield adjustment is equal to the US statutory tax rate.

RETURN ON AVERAGE CAPITAL EMPLOYED

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months	
=====				2003	2002
=====				=====	
\$ million					
Replacement cost basis					
766	2,454	2,142	RC profit before exceptional items	7,724	3,001
145	78	82	Interest +	259	462
3	60	43	Minority shareholders' interest	129	46
-----				-----	
914	2,592	2,267	Adjusted RC profit	8,112	3,509

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=====				=====		
90,507	91,420	93,001	Average capital employed	93,191	89,328	
4.0%	11.3%	9.8%	ROACE - replacement cost basis	11.6%	5.2%	
-----				-----		
			Pro forma basis			
914	2,592	2,267	Adjusted RC profit	8,112	3,509	
977	629	498	Acquisition amortization	1,755	2,052	
556	32	228	Special items (post-tax)	233	1,043	
90,507	91,420	93,001	Average capital employed	93,191	89,328	
			Average capital employed			
17,581	14,839	14,110	acquisition adjustment	15,211	18,008	
-----				-----		
			Average capital employed			
72,926	76,581	78,891	(pro forma basis)	77,980	71,320	
			ROACE - Pro forma basis			
13.4%	17.0%	15.2%	adjusted for special items	17.3%	12.3%	
-----				-----		
			Historical cost basis			
			Historical cost profit			
2,840	1,634	2,394	after exceptional items	8,295	6,194	
145	78	82	Interest +	259	462	
3	60	43	Minority shareholders' interest	129	71	
-----				-----		
2,988	1,772	2,519	Adjusted historical cost profit	8,683	6,727	
=====				=====		
90,507	91,420	93,001	Average capital employed	93,191	89,328	
13.2%	7.8%	10.8%	ROACE - historical cost basis	12.4%	10.0%	

+ Excludes interest on joint venture and associated undertakings debt as well as unwinding of discount on provisions and effect of change in

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discount rate on provisions, and is on a post-tax basis, using a deemed tax rate equal to the US statutory tax rate.

NET DEBT RATIO - NET DEBT: NET DEBT + EQUITY

Third Quarter 2002	Second Quarter 2003	Third Quarter 2003		Nine Months 2003 2002	
=====				=====	
\$ million					
22,276	18,594	19,970	Gross debt	19,970	22,276
1,290	2,444	1,495	Cash and current asset investments	1,495	1,290
-----				-----	
20,986	16,150	18,475	Net debt	18,475	20,986
=====				=====	
69,203	73,081	74,356	Equity	74,356	69,203
23%	18%	20%	Net debt ratio	20%	23%
-----				-----	
17,134	14,469	13,751	Acquisition adjustment	13,751	17,134
-----				-----	
29%	22%	23%	Net debt ratio - pro forma basis	23%	29%
=====				=====	

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

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undersigned, thereunto duly authorized.

BP p.l.c.
(Registrant)

Dated: 28 October, 2003

/s/ D. J. PEARL
.....
D. J. PEARL
Deputy Company Secretary