

BP PLC
Form 6-K
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

Report of Foreign Private Issuer

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

the Securities Exchange Act of 1934

for the period ended 31 December 2015

Commission File Number 1-06262

BP p.l.c.

(Translation of registrant's name into English)

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

(Address of principal executive offices)

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

Form 20-F Form 40-F

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

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THIS REPORT ON FORM 6-K SHALL BE DEEMED TO BE INCORPORATED BY REFERENCE IN THE PROSPECTUS INCLUDED IN THE REGISTRATION STATEMENT ON FORM F-3 (FILE NOS. 333-208478 AND 333-208478-01) OF BP CAPITAL MARKETS p.l.c. AND BP p.l.c.; THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-67206) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-79399) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-103924) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-123482) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-123483) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-131583) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-131584) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-132619) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-146868) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-146870) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-146873) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-173136) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-177423) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-179406) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-186462) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-186463) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-199015) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8

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(FILE NO. 333-200794) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-200795) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-207188) OF BP p.l.c., THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-207189) OF BP p.l.c., AND TO BE A PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS FURNISHED, TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED.

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BP p.l.c. and subsidiaries

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(a) In this Form 6-K, references to the full year 2015 and full year 2014 refer to the full year periods ended 31 December 2015 and 31 December 2014 respectively. References to fourth quarter 2015 and fourth quarter 2014 refer to the three-month periods ended 31 December 2015 and 31 December 2014 respectively.

(b) This discussion should be read in conjunction with the consolidated financial statements and related notes provided elsewhere in this Form 6-K and with the information, including the consolidated financial statements and related notes, in *BP's Annual Report on Form 20-F* for the year ended 31 December 2014.

Table of Contents**Group results fourth quarter and year end 2015**

| Fourth quarter 2014 | Fourth quarter 2015 | \$ million | Year 2015 | Year 2014 |
|--------------------------------|--------------------------------|---|----------------------|----------------------|
| (4,407) | (3,307) | Profit (loss) for the period ^(a) | (6,482) | 3,780 |
| 3,438 | 1,074 | Inventory holding (gains) losses*, net of tax | 1,320 | 4,293 |
| (969) | (2,233) | Replacement cost profit (loss)* | (5,162) | 8,073 |
| 3,208 | 2,429 | Net (favourable) unfavourable impact of non-operating items* and fair value accounting effects*, net of tax | 11,067 | 4,063 |
| 2,239 | 196 | Underlying replacement cost profit* | 5,905 | 12,136 |
| (24.18) | (18.01) | Profit (loss) per ordinary share (cents) | (35.39) | 20.55 |
| (1.45) | (1.08) | Profit (loss) per ADS (dollars) | (2.12) | 1.23 |
| (5.32) | (12.16) | Replacement cost profit (loss) per ordinary share (cents) | (28.18) | 43.90 |
| (0.32) | (0.73) | Replacement cost profit (loss) per ADS (dollars) | (1.69) | 2.63 |
| 12.28 | 1.06 | Underlying replacement cost profit per ordinary share (cents) | 32.22 | 66.00 |
| 0.74 | 0.06 | Underlying replacement cost profit per ADS (dollars) | 1.93 | 3.96 |

BP's result for the fourth quarter was a loss of \$3,307 million, compared with a loss of \$4,407 million for the same period in 2014. BP's fourth-quarter replacement cost (RC) loss was \$2,233 million, compared with a loss of \$969 million a year ago. After adjusting for a net charge for non-operating items of \$2,617 million and net favourable fair value accounting effects of \$188 million (both on a post-tax basis), underlying RC profit for the fourth quarter was \$196 million, compared with \$2,239 million for the same period in 2014. The net charge for non-operating items mainly relates to impairment charges in the Upstream segment and also reflects \$450 million of restructuring charges for the group. The lower underlying result was mainly due to the Upstream segment which reported an underlying replacement cost loss of \$728 million for the quarter. Cumulative restructuring charges from the beginning of the fourth quarter 2014 totalled \$1.5 billion by the end of 2015. A further \$1.0 billion of restructuring charges are expected to be incurred in 2016.

BP's result for the full year was a loss of \$6,482 million, compared with a profit of \$3,780 million for the same period in 2014. For the full year, RC loss was \$5,162 million, compared with a profit of \$8,073 million a year ago. After adjusting for a net charge for non-operating items of \$11,272 million and net favourable fair value accounting effects of \$205 million (both on a post-tax basis), underlying RC profit for the full year was \$5,905 million, compared with \$12,136 million for the same period in 2014. RC profit or loss for the group, underlying RC profit or loss and fair value accounting effects are non-GAAP measures and further information is provided on pages 5 and 31.

All amounts relating to the Gulf of Mexico oil spill have been treated as non-operating items, with a net pre-tax charge of \$443 million for the fourth quarter and \$11,956 million for the full year. For further information on the Gulf of Mexico oil spill and its consequences see page 12 and Note 2 on page 18. See also Legal proceedings on page 35.

Including the impact of the Gulf of Mexico oil spill, net cash provided by operating activities for the fourth quarter and full year was \$5.8 billion and \$19.1 billion respectively, compared with \$7.2 billion and \$32.8 billion for the same periods in 2014. Excluding amounts related to the Gulf of Mexico oil spill, net cash provided by operating activities for the fourth quarter and full year was \$5.9 billion and \$20.3 billion respectively, compared with \$6.9 billion and \$32.8 billion for the same periods in 2014.

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Gross debt at 31 December 2015 was \$53.2 billion compared with \$52.9 billion a year ago. The ratio of gross debt to gross debt plus equity at 31 December 2015 was 35.1%, compared with 31.9% a year ago. Net debt* at 31 December 2015 was \$27.2 billion, compared with \$22.6 billion a year ago. The net debt ratio* at 31 December 2015 was 21.6%, compared with 16.7% a year ago. Net debt and the net debt ratio are non-GAAP measures. See page 27 for more information. We aim to maintain the net debt ratio, with some flexibility, at around 20%. We expect the net debt ratio to be above 20% whilst oil prices remain weak.

The reserves replacement ratio* on a combined basis of subsidiaries and equity-accounted entities was estimated at 61%(b) for the year, excluding the impact of acquisitions and disposals.

BP today announced a quarterly dividend of 10.00 cents per ordinary share (\$0.600 per ADS), which is expected to be paid on 24 March 2016. The corresponding amount in sterling will be announced on 14 March 2016. See page 26 for further information.

* For items marked with an asterisk throughout this document, definitions are provided in the Glossary on page 33.

(a) Profit attributable to BP shareholders.

(b) Includes estimated reserves data for Rosneft. The reserves replacement ratio will be finalized and reported in *BP Annual Report and Form 20-F 2015* which is scheduled to be published in early March 2016.

The commentaries above and following should be read in conjunction with the cautionary statement on page 36.

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Group headlines (continued)

Total capital expenditure on an accruals basis for the fourth quarter was \$6.1 billion, of which organic capital expenditure* was \$5.5 billion, compared with \$6.7 billion for the same period in 2014, of which organic capital expenditure was \$6.6 billion. For the full year, total capital expenditure on an accruals basis was \$19.5 billion, of which organic capital expenditure was \$18.7 billion, compared with \$23.8 billion for the same period in 2014, of which organic capital expenditure was \$22.9 billion. See page 29 for further information. In 2016, we expect organic capital expenditure to be at the lower end of the range of \$17-19 billion.

BP has now completed the \$10-billion divestment programme that was announced in October 2013. Disposal proceeds were \$0.2 billion for the fourth quarter and \$2.8 billion for the full year. The full-year amount for disposal proceeds includes amounts received from our Toledo refinery partner, Husky Energy, in place of capital commitments relating to the original divestment transaction that have not been subsequently sanctioned.

The effective tax rate (ETR) on the profit or loss for the fourth quarter and full year was 19% and 33% respectively, compared with 46% and 19% for the same periods in 2014. The ETR on RC profit or loss for the fourth quarter and full year was 12% and 34% respectively, compared with 70% and 26% for the same periods in 2014. Excluding the one-off deferred tax adjustment in the first quarter 2015 as a result of the reduction in the UK North Sea supplementary charge, the ETR on the RC loss for the year was 22%. Adjusting for non-operating items, fair value accounting effects and the North Sea adjustment, the underlying ETR for the fourth quarter and full year was -20% and 31% respectively, compared with 38% and 36% for the same periods in 2014. The underlying ETR for the fourth quarter reflects tax credits associated with losses in the Upstream segment offsetting tax charges arising elsewhere. The full-year underlying ETR is lower than a year ago mainly due to changes in the geographical mix of profits. In the current environment, and with our existing portfolio of assets, the ETR in 2016 is expected to be lower than 2015 due to the anticipated mix of profits moving away from relatively high tax Upstream jurisdictions.

Finance costs and net finance expense relating to pensions and other post-retirement benefits were a charge of \$457 million for the fourth quarter, compared with \$381 million for the same period in 2014. For the full year, the respective amounts were \$1,653 million and \$1,462 million.

Reported production for the fourth quarter, including BP's share of Rosneft's production, was 3,397 thousand barrels of oil equivalent per day (mboe/d), compared with 3,214mboe/d for the same period in 2014 (see Upstream on page 6 and Rosneft on page 10). Reported production for the full year, including BP's share of Rosneft's production, was 3,277mboe/d, compared with 3,151mboe/d in 2014.

The charge for depreciation, depletion and amortization was \$15.2 billion in 2015, the same as 2014. In 2016, we expect the charge to be similar to 2015.

Definitive agreements were signed in January 2016 to dissolve BP's refining joint operation with Rosneft in Germany (see Note 3 for further information).

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**Analysis of RC profit (loss) before interest and tax
and reconciliation to profit (loss) for the period**

| Fourth quarter 2014 | Fourth quarter 2015 | \$ million | Year 2015 | Year 2014 |
|--|---------------------------|---|--------------|--------------|
| RC profit (loss) before interest and tax* | | | | |
| (3,085) | (2,280) | Upstream | (937) | 8,934 |
| 780 | 838 | Downstream | 7,111 | 3,738 |
| 451 | 235 | Rosneft | 1,310 | 2,100 |
| (647) | (627) | Other businesses and corporate | (1,768) | (2,010) |
| (468) | (328) | Gulf of Mexico oil spill response ^(a) | (11,709) | (781) |
| 257 | 65 | Consolidation adjustment UPII* | (36) | 641 |
| (2,712) | (2,097) | RC profit (loss) before interest and tax | (6,029) | 12,622 |
| (381) | (457) | Finance costs and net finance expense relating to pensions and other post-retirement benefits | (1,653) | (1,462) |
| 2,158 | 304 | Taxation on a RC basis | 2,602 | (2,864) |
| (34) | 17 | Non-controlling interests | (82) | (223) |
| (969) | (2,233) | RC profit (loss) attributable to BP shareholders | (5,162) | 8,073 |
| (4,985) | (1,546) | Inventory holding gains (losses) | (1,889) | (6,210) |
| 1,547 | 472 | Taxation (charge) credit on inventory holding gains and losses | 569 | 1,917 |
| (4,407) | (3,307) | Profit (loss) for the period attributable to BP shareholders | (6,482) | 3,780 |

(a) See Note 2 on page 18 for further information on the accounting for the Gulf of Mexico oil spill response.

Analysis of underlying RC profit before interest and tax

| Fourth quarter 2014 | Fourth quarter 2015 | \$ million | Year 2015 | Year 2014 |
|--|---------------------------|--------------------------------|--------------|--------------|
| Underlying RC profit before interest and tax* | | | | |
| 2,246 | (728) | Upstream | 1,193 | 15,201 |
| 1,213 | 1,218 | Downstream | 7,545 | 4,441 |
| 470 | 235 | Rosneft | 1,310 | 1,875 |
| (120) | (299) | Other businesses and corporate | (1,221) | (1,340) |
| 257 | 65 | Consolidation adjustment UPII | (36) | 641 |

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| | | | | |
|--------------|--------------|---|----------------|---------|
| 4,066 | 491 | Underlying RC profit before interest and tax | 8,791 | 20,818 |
| (372) | (342) | Finance costs and net finance expense relating to pensions and other post-retirement benefits | (1,406) | (1,424) |
| (1,421) | 30 | Taxation on an underlying RC basis | (1,398) | (7,035) |
| (34) | 17 | Non-controlling interests | (82) | (223) |
| 2,239 | 196 | Underlying RC profit attributable to BP shareholders | 5,905 | 12,136 |

Reconciliations of underlying RC profit or loss to the nearest equivalent IFRS measure are provided on page 3 for the group and on pages 6-11 for the segments.

Table of Contents**Upstream**

| Fourth quarter 2014 | Fourth quarter 2015 | \$ million | Year 2015 | Year 2014 |
|----------------------------|----------------------------|---|------------------|------------------|
| (3,165) | (2,298) | Profit (loss) before interest and tax | (967) | 8,848 |
| 80 | 18 | Inventory holding (gains) losses* | 30 | 86 |
| (3,085) | (2,280) | RC profit (loss) before interest and tax | (937) | 8,934 |
| 5,331 | 1,552 | Net (favourable) unfavourable impact of non-operating items* and fair value accounting effects* | 2,130 | 6,267 |
| 2,246 | (728) | Underlying RC profit (loss) before interest and tax ^{*(a)} | 1,193 | 15,201 |

(a) See page 7 for a reconciliation to segment RC profit before interest and tax by region.

Financial results

The replacement cost result before interest and tax for the fourth quarter and full year was a loss of \$2,280 million and \$937 million respectively, compared with a loss of \$3,085 million and a profit of \$8,934 million for the same periods in 2014. The fourth quarter and full year included a net non-operating charge of \$1,639 million and \$2,235 million respectively, compared with a net non-operating charge of \$5,557 million and \$6,298 million for the same periods a year ago. The net non-operating charge for the quarter relates mainly to a net impairment charge recorded in relation to a number of assets following a further fall in oil and gas prices in the quarter and changes to other assumptions. See Note 4 Impairment of fixed assets on page 23 for further information. Fair value accounting effects in the fourth quarter and full year had favourable impacts of \$87 million and \$105 million respectively, compared with favourable impacts of \$226 million and \$31 million in the same periods of 2014.

After adjusting for non-operating items and fair value accounting effects, the underlying replacement cost result before interest and tax for the fourth quarter and full year was a loss of \$728 million and a profit of \$1,193 million respectively, compared with a profit of \$2,246 million and \$15,201 million for the same periods in 2014. The result for the fourth quarter reflected significantly lower liquids and gas realizations and lower gas marketing and trading results partly offset by lower costs, including lower exploration write-offs and benefits from simplification and efficiency activities. The result for the full year reflected significantly lower liquids and gas realizations, rig cancellation charges and lower gas marketing and trading results partly offset by lower costs including benefits from simplification and efficiency activities and lower exploration write-offs, and higher production.

Production

Production for the quarter was 2,369mboe/d, 8.3% higher than the fourth quarter of 2014. Underlying production* for the quarter increased by 1.7%, mainly due to improved operating efficiency, wellwork delivery and major project start-ups partly offset by planned maintenance activity. For the full year, production was 2,258mboe/d, 5.4% higher than in 2014. Underlying production for the full year was flat versus 2014.

Key events

In November, BP signed a Heads of Agreement with the Egyptian Minister of Petroleum regarding the acceleration of the development of the recent Atoll gas discovery. The Atoll discovery (BP 100%) in the North Damietta Offshore Concession in the East Nile Delta, offshore Egypt was announced in March 2015. Development of Atoll will be executed and operated by Pharaonic Petroleum Co. (PhPC), BP's joint venture with EGAS and Eni.

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Also in November, BP completed a transaction to acquire a 20% participatory interest in Taas-Yuryakh Neftegazodobycha LLC, a Rosneft subsidiary that will further develop the Srednebotuobinskoye oil and gas condensate field in Eastern Siberia.

In December, BP announced the completion of its acquisition of 22.75% in the North Alexandria Concession and 2.75% in the West Mediterranean Deep Water Concession from DEA Deutsche Erdoel AG. The acquisition will bring BP's working interest in both concessions of the West Nile Delta project in Egypt to 82.75%.

The new Glen Lyon floating production storage and offload (FPSO) vessel has completed sea trials and sailed away from South Korea on 25 December. Glen Lyon is currently in tow to Norway for pre-installation works before travelling to the West of Shetlands for installation and future start of production. The new FPSO is the centrepiece to the Quad 204 project, which is redeveloping the Schiehallion and Loyal fields.

BP's US Lower 48 Onshore business expanded its San Juan basin operations in December by acquiring all of Devon Energy's assets in the region. The bulk of the acquired assets, which span northern New Mexico and southern Colorado, consist of Devon's operated interest in the Northeast Blanco Unit. BP anticipates taking over operations of the unit's 480 wells spread across 33,000 gross acres at the end of the first quarter of 2016, after receiving required government agency approvals.

Outlook

We expect full-year 2016 underlying production to be broadly flat with 2015. The actual reported outcome will depend on the exact timing of proje