bp

Q225 results

Energy and resources

Strong Q225 results, cost reductions in focus

6 August 2025

bp reported Q225 results with underlying replacement cost (RC) profit of $2.4bn (Q125: $1.4bn; Q224: $2.8bn), supported by stronger refining margins, oil trading gains and improved customer business earnings. Operating cash flow of $6.3bn (Q125: $2.8bn), reflected higher earnings offset partly by working capital movement. DPS rose 4% to 8.32c, and a further $750m buyback was announced. Net debt fell to $26.0bn, with capital expenditure of $3.4bn in Q225 keeping bp on track with its FY25 guidance of c $14.5bn. Structural cost reductions reached $1.7bn ytd as part of bp's plan to cut structural costs by $4–5bn by 2027 from a 2023 baseline.

Year end

Strong operating results

Operational performance was strong, with refining availability at 96.4% (Q1: 96.2%) and upstream plant reliability at 96.8% (Q1: 95.4%). Oil production and operations reported underlying RC profit of $2.3bn, down from $2.9bn in Q1, reflecting lower realisations and higher depreciation, depletion and amortisation, partly offset by increased production. Customers & Products delivered underlying RC profit of $1.5bn (Q1: $0.7bn), benefiting from stronger fuel margins and higher volumes. bp's gas and low carbon energy underlying RC profit was $1.5bn (Q1: $1bn), reflecting a return to average gas marketing and trading performance following a weak Q1 and higher volumes.

Focus on cost reduction and portfolio optimisation

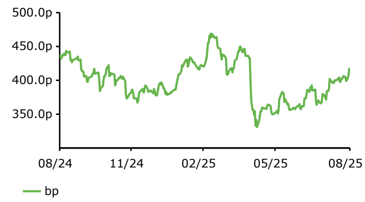
Ahead of Albert Manifold formally joining the board as chairman on 1 September, bp has agreed to conduct a thorough review of its portfolio of businesses to optimise capital allocation and maximise shareholder value. In parallel, bp continues to progress its group-wide simplification programme. Full-year capex guidance remains at c $14.5bn, with divestment proceeds of $20bn targeted by 2027 (including the Lightsource bp transaction and strategic review of Castrol).

Exploration success

bp has had a very strong start to 2025 in terms of exploration, describing it as its best year in recent memory, with 10 discoveries, including the significant Bumerangue block in Brazil. The Bumerangue find, intersecting a 500m gross hydrocarbon column in high-quality pre-salt carbonate reservoir with an areal extent greater than 300km², reinforces bp's upstream position in Brazil and is expected to contribute materially to future production. Management is clearly enthusiastic about the discovery, describing it as its largest in 25 years, and bp intends to move at pace with further appraisal. These exploration successes underline bp's focus on replenishing reserves and maintaining upstream growth. In addition to Bumerangue, bp is advancing further exploration activity, with new wells being drilled in the Gulf of America and West Africa. These campaigns are focused on tiebacks to existing infrastructure, offering capital-efficient, near-term production growth. Furthermore, bp has also taken four final investment decisions in the upstream and delivered five of the 10 major project start-ups planned through 2027.

Price	**406.05p**
Market cap	**£64,232m**
Net cash/(debt) at Q225	$(26,043.0)m
Shares in issue	15,596.1m
Code	BP
Primary exchange	LSE
Secondary exchange	N/A

Share price performance



Business description

bp is a major global integrated energy company, headquartered in London. Its operations span the energy value chain, with upstream (oil and gas exploration and production, trading, biogas), downstream (refining, biofuels, fuels retail and convenience) and low-carbon energy assets. In 2025, bp announced a strategic pivot back towards its core oil and gas operations.

Analysts

Andrew Keen	+44 (0)20 3077 5700
Harry Kilby	+44 (0)20 3077 5700

energyandresources@edisongroup.com

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bp is a research client of Edison Investment Research Limited

EDISON

London | New York | Frankfurt
20 Red Lion Street
London, WC1R 4PS
United Kingdom