

BP p.l.c. (NYSE: BP)

5-YEAR CONSOLIDATED INCOME STATEMENT ANALYSIS (2021 – 2025)

Sector: Energy / Integrated Oil & Gas
Reporting Currency: USD (\$ Millions)
Accounting standard: IFRS

2022 PEAK REVENUE

\$241.4B

Geopolitical commodity shock

2025 TOTAL REVENUE

\$189.3B

Normalized post-shock level

2022 PEAK NET PROFIT

\$27.65B

Historic trading/refining margins

2025 UNDERLYING PROFIT

\$7.48B

RC Profit (excluding impairments)

1. CONSOLIDATED STATEMENT OF INCOME (FY 2021 – FY 2025)

Financial Line Item (\$ Millions)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Revenues & Other Income	\$157,739	\$241,392	\$213,032	\$189,185	\$189,335
Purchases & Cost of Goods Sold	\$105,420	\$158,110	\$142,650	\$126,846	\$124,110
Production & Manufacturing Operating Expenses	\$11,320	\$12,980	\$13,420	\$13,100	\$12,696
Depreciation, Depletion & Amortization (DD&A)	\$13,850	\$14,100	\$14,800	\$15,600	\$16,200
Exploration Expenses & Net Impairments	\$1,580	\$2,420	\$3,150	\$3,224	\$2,521
Total Costs & Operating Expenses	\$132,170	\$187,610	\$174,020	\$158,770	\$155,527
Operating Profit / (Loss) Before Finance & Tax	\$25,569	\$53,782	\$39,012	\$30,415	\$33,808
Finance Costs & Net Interest Expense	\$2,840	\$2,950	\$3,210	\$3,450	\$3,112
Taxation / Income Tax Expense	\$14,120	\$23,120	\$20,560	\$6,380	\$7,692
Net Profit / (Loss) Attributable to BP Shareholders	\$7,565	\$27,650	\$15,239	\$381	\$100
Underlying Replacement Cost (RC) Profit (Non-IFRS)	\$7,630	\$27,650	\$13,836	\$8,915	\$7,485

2. PER SHARE & AMERICAN DEPOSITARY SHARE (ADS) DATA

Metric	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Diluted Earnings Per Ordinary Share (cents)	37.80¢	140.20¢	81.20¢	2.32¢	0.34¢
Diluted Earnings Per ADS (\$)	\$2.27	\$8.41	\$4.87	\$0.14	\$0.02
Underlying RC Profit Per ADS (\$)	\$2.29	\$8.41	\$4.42	\$3.22	\$2.85
Announced Dividend Per Ordinary Share (cents)	21.56¢	24.00¢	28.42¢	31.27¢	32.00¢

3. VERTICAL ANALYSIS (% OF TOTAL REVENUE & OTHER INCOME)

Line Item as % of Revenue	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Purchases & Cost of Goods Sold	66.83%	65.50%	66.96%	67.05%	65.55%
Production & Operating Expenses	7.18%	5.38%	6.30%	6.92%	6.71%
Depreciation & Amortization (DD&A)	8.78%	5.84%	6.95%	8.25%	8.56%
Operating Margin (Operating Income / Revenue)	16.21%	22.28%	18.31%	16.08%	17.86%
Taxation Rate on Total Income	8.95%	9.58%	9.65%	3.37%	4.06%
Net Profit Margin (IFRS Net Income / Revenue)	4.80%	11.45%	7.15%	0.20%	0.05%

Primary Financial Takeaways (2021 – 2025)

While reported IFRS Net Income reflects significant non-operating volatility—such as impairment charges on green transition projects and inventory valuation adjustments—BP's underlying operational cash generation remained resilient. The operational margin held stable between 16% and 18% through 2024–2025, supported by upstream unit production costs maintained near ~\$6.20/boe.

Key Profitability Drivers

- **2022 Commodity Boom:** Surge in European gas prices and refining cracks led to record top-line revenue of \$241.4B and an 11.45% net margin.
- **2024–2025 Impairments:** Reported profit dropped sharply due to asset write-downs in renewable energy assets and weaker refining margins.

Non-IFRS Metric Significance

- **Underlying RC Profit:** BP relies on Replacement Cost (RC) Profit to remove inventory holding gains/losses and market fluctuations.
- **Core Earnings Stability:** On an RC basis, 2025 earnings were \$7.48B (\$2.85 per ADS), demonstrating core cash generation despite low IFRS net profits.

Structural Cost & Strategic Execution

BP achieved significant structural cost reductions across upstream operations and downstream mobility networks. Despite macro headwinds and lower realized energy prices, management preserved shareholder payouts with dividend growth and share repurchases funded through disciplined capital expenditure management.