

**bp**
**Energy and resources**
**5 November 2025**

## Solid Q325 results, portfolio progress

bp reported Q325 underlying replacement cost (RC) profit of \$2.2bn (Q225: \$2.4bn), with stronger operating performance partly offset by a higher tax rate (due to regional profit mix changes). Operating cash flow rose to \$7.8bn from \$6.3bn, supported by a working capital release of around \$0.9bn compared to a \$1.4bn build last quarter. Net debt remained stable at \$26.1bn, despite redeeming \$1.2bn in hybrid bonds. The dividend was maintained at 8.32c per share, and bp announced a further \$0.75bn share buyback to be completed before the Q4 results. Capital expenditure of \$3.4bn was consistent with FY25 guidance of around \$14.5bn.

### Operations steady across segments

Customers & Products (C&P) delivered underlying RC profit of \$1.7bn (Q225: \$1.5bn), reflecting stronger refining margins, lower turnaround activity and record Q3 customer earnings (~50% of the 2027 structural cost reduction target in C&P has been delivered). Refining availability was 96.6% and the realised refining margin rose to \$15.8/bbl from \$11.9/bbl. Oil Production & Operations reported profit of \$2.3bn, supported by higher volumes of 1,556mboe/d and reliability of 96.8%. Gas & Low Carbon Energy was steady at \$1.5bn as lower realisations were offset by reduced DD&A. Group upstream production increased 2.5% q-o-q, driven by bpx, where output rose to 501mboe/d with unit costs improving to \$8.21/boe.

### Guidance updates and portfolio changes

bp refined its full-year guidance, indicating expected divestment proceeds above \$4bn (from \$3–4bn) and narrowing the Other Businesses & Corporate annual charge to \$0.5–0.75bn (from \$0.5–1.0bn). Underlying upstream production is now expected to be broadly flat versus 2024 (previously slightly lower), reflecting improved performance in Oil Production & Operations. Capital expenditure and tax rate guidance remain unchanged. Prior to the results, bp announced it had agreed to sell non-controlling interests in its Permian and Eagle Ford midstream assets to Sixth Street for \$1.5bn, retaining operatorship and control. The transaction contributes materially to 2025 proceeds and the \$20bn divestment target by 2027.

### Project execution and costs remain the focus

bp's longer-term focus remains on cost reduction and delivery of its pivot towards upstream growth. The structural cost-reduction target of \$4–5bn by 2027 from a 2023 baseline remains in place. Alongside progress at Bumerangue ([see our recent note](#)), six major project start-ups have been delivered in 2025, four ahead of schedule, with a final investment decision on Tiber-Guadalupe in the Gulf of America, and 12 exploration discoveries have been announced year to date.

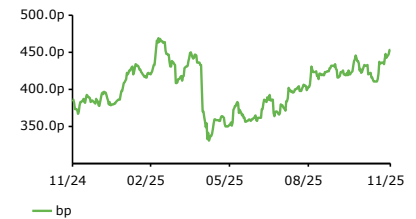
#### Consensus estimates

Year end	EBITDA (\$m)	PBT (\$m)	EPS (¢)	DPS (¢)	EV/EBITDA (x)	P/E (x)	Yield (%)
12/24	38,012.0	6,782.0	46.00	30.54	3.1	12.9	5.2
12/25e	38,532.0	13,991.0	46.80	32.10	3.1	12.6	5.4

Source: Company data, LSEG Data & Analytics. Note: EPS is adjusted. Realisation and market prices for 9M25: Brent oil: \$70.93/bbl; Henry Hub gas: \$3.39/mmBtu.

**Price** 453.15p  
**Market cap** £71,063m

#### Share price performance



#### Share details

Code	BP
Listing	LSE
Shares in issue	15,682.0m
Net cash/(debt) at Q325	\$(26,054.0)m

#### 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.

#### Bull points

- Increased focus on highest-returning investment opportunities and significant cost reduction production.
- Strong, progressive dividend yield.
- Actively pursuing strategic asset sales and debt reduction.

#### Bear points

- Greater debt weighting compared to peers.
- Potential sector-wide exposure to carbon regulations.
- Commodity price and demand volatility (both upside and downside).

#### Analysts

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

[energyandresources@edisongroup.com](mailto:energyandresources@edisongroup.com)  
[Edison profile page](#)

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