BP AROMATICS LIMITED
(Registered No 06226624)

ANNUAL REPORT AND ACCOUNTS 2012

Board of Directors P E Van Acker
R L Bartlett
R P M Das

REPORT OF THE DIRECTORS

The directors present their report and accounts for the year ended 31 December 2012.

Results and dividends

The profit for the year after taxation was €35,819,000 which, when added to the retained profit brought forward at 1 January 2012 of €176,108,000 and total paid interim dividends to ordinary shareholders of €115,000,000, gives a total retained profit carried forward at 31 December 2012 of €96,927,000.

During the year the company has declared and paid dividends of €115,000,000 (2011: €Nil). The directors do not propose the payment of a final dividend

Principal activity and review of the business

The company operates in Geel, Belgium and is engaged in the manufacturing (via tolling agreements) and selling of chemical products

The key financial and other performance indicators during the year were as follows

	2012	2011	Variance
	€000	€000	%
Turnover	1,453,301	1,484,173	(2)
Profit on ordinary activities before interest and taxation	39,461	87,891	(55)
Profit after taxation	35,819	77,373	(54)
Shareholders' funds	182,852	261,834	(30)

	2012	2011	Variance
	%	%	%
Quick ratio*	183	216	(15)

*Quick ratio is defined as current assets, excluding stock and debtors receivable after one year, as a percentage of current liabilities

The decrease in turnover was mainly attributable to a price reduction as a consequence of oversupply of Purified Terephthalic Acid ("PTA") in the European market Furthermore, the decrease in group sales was also one of the factors that led to the decrease in turnover, given the fact that the United States had enough capacity in 2012 to cater for their local market demands

Profitability has dropped as a result of a reduction in product margin in both Paraxylene ("PX") and PTA, which was due to the price reduction and higher feedstock prices in 2012

Principal risks and uncertainties

The company aims to deliver sustainable value by identifying and responding successfully to risks Risk management is integrated into the process of planning and performance management at a group level Monitoring and accountability for the management of these risks occur through quarterly performance reviews at a group level

We urge you to consider carefully the risks described below The potential impact of the occurrence or reoccurrence of any of the risks described below could have a material adverse effect on the company's business, financial position, results of operations, competitive position, cash flows, prospects, liquidity, shareholder returns and/or implementation of its strategic agenda

Company level risks have been categorised against the following areas: strategic and commercial, compliance and control, safety and operational, and financial risk management. In addition, we have also set out a further category of risk for your attention – those resulting from the 2010 Gulf of Mexico oil spill (the Incident)

Gulf of Mexico oil spill

The Gulf of Mexico oil spill has had and could continue to have a material adverse impact on BP as a group, and consequently may also have an adverse impact on BP Aromatics Limited

Whilst the BP group recognised significant charges in the income statement since the Incident occurred in 2010, there is significant uncertainty regarding the extent and timing of the remaining costs and liabilities relating to the Incident, the potential changes in applicable regulations and the operating environment that may result from the Incident, the impact of the Incident on the reputation of the group and the resulting possible impact on the group's licence to operate including its ability to access new opportunities The amount of claims that become payable by the BP group, the amount of fines ultimately levied on the BP group (including any potential determination of the BP group's negligence or gross negligence), the outcome of litigation, the terms of any further settlements including the amount and timing of any payments thereunder, and any costs arising from any longer-term environmental consequences of the Incident, will also impact upon the ultimate cost for the BP group

Although the provisions recognised represent the current best estimates of expenditures required to settle certain present obligations that can be reasonably estimated at the end of the reporting period, there are future expenditures for which it is not possible to measure the obligations reliably and the total amounts payable by the BP group in relation to all obligations relating to the Incident are subject to significant uncertainty. These uncertainties are likely to continue for a significant period, increase the risks to which the group is exposed and may cause costs to increase Thus, the Incident has had, and could continue to have, a material adverse impact on the group's business, competitive position, financial performance, cash flows, prospects, liquidity, shareholder returns and/or implementation of its strategic agenda, particularly in the US. The risks associated with the Incident could also heighten the impact of the other risks to which the group is exposed as further described below Further information on the Incident, is included within the BP group Annual Report and Form 20-F for the year ended 31 December 2012

Strategic and commercial risks

Prices and markets
Sectors of the petrochemicals industry are subject to fluctuations in supply and demand, with a consequent effect on prices and profitability

Principal risks and uncertainties (continued)

Strategic and commercial risks (continued)

Competition
The company's strategy depends upon continuous innovation in a highly competitive market

The oil, gas and petrochemicals industries are highly competitive. There is strong competition, both within the oil and gas industry and with other industries, in supplying the fuel needs of commerce, industry and the home. Competition puts pressure on the terms of access to new opportunities, licence costs and product prices, affects oil products marketing and requires continuous management focus on reducing unit costs and improving efficiency, while ensuring safety and operational risk is not compromised The implementation of the BP group strategy requires continued technological advances and innovation including advances in exploration, production, refining, petrochemicals manufacturing technology and advances in technology related to energy usage The company's performance could be impeded if competitors developed or acquired intellectual property rights to technology that it required or if its innovation lagged the industry, or by its failure to adequately protect the company's brands and trademarks The company's competitive position could be adversely affected if it fails to control its operating costs or manage its margins, or if it fails to sustain, develop and operate efficiently a high quality portfolio of assets

People and capability
Successful recruitment of new staff, employee training, development and continuing enhancement of skills, are key to implementing the company's plans. Inability to develop human capacity and capability, both across the organisation and in specific operating locations, could jeopardise performance delivery The company relies on recruiting and retaining high-quality employees to execute its strategic plans and to operate its business The reputational damage suffered by the company as a result of the Incident and any consequent adverse impact on its business could affect employee recruitment and retention.

Compliance and control risks

Ethical misconduct and non-compliance
The code of conduct, which applies to all employees, defines the company's commitment to integrity, compliance with all applicable legal requirements, high ethical standards and the behaviours and actions the company expects of its businesses and people wherever it operates The values are intended to guide the way the company and its employees behave and do business Incidents of ethical misconduct or non-compliance with applicable laws and regulations, including non-compliance with anti-bribery, anti-corruption and other applicable laws could be damaging to the company's reputation and shareholder value Multiple events of non-compliance could call into question the integrity of the company's operations.

Liabilities and provisions
The BP group's potential liabilities resulting from pending and future claims, lawsuits, settlements and enforcement actions relating to the Gulf of Mexico oil spill, together with the potential cost and burdens of implementing remedies sought in the various proceedings, cannot be fully estimated at this time but they have had, and are expected to continue to have, a material adverse impact on the group's business and consequently may also impact the company's business Further information is included within the BP group Annual Report and Form 20-F for the year ended 31 December 2012

Principal risks and uncertainties (continued)

Compliance and control risks (continued)

Reporting
External reporting of financial and non-financial data is reliant on the integrity of systems and people Failure to report data accurately and in compliance with external standards could result in regulatory action, legal liability and damage to the company's reputation

Safety and operational risks

Product quality
Supplying customers with on-specification products is critical to maintaining the company's licence to operate and its reputation in the marketplace Failure to meet product quality standards throughout the value chain could lead to harm to people and the environment and loss of customers.

Financial risk management

The main financial risks faced by the company through its normal business activities, are market risk, foreign currency exchange risk and credit risk. The management of these financial risks is performed at BP group level The company seeks to maintain a financial framework to ensure that it is able to maintain an appropriate level of liquidity and financial capacity This framework constrains the level of assessed capital at risk for the purposes of positions taken in financial instruments. Failure to accurately forecast or maintain sufficient liquidity and credit to meet these needs could impact the company's ability to operate and result in a financial loss

Market risk
Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business This includes the possibility that changes in foreign currency exchange rates, interest rates or oil, natural gas and power prices will adversely affect the value of the company's financial assets, liabilities or expected future cash flows The management of such risks is performed at BP group level The group has developed a control framework aimed at managing the volatility inherent in certain of its natural business exposures In accordance with this control framework the group enters into various transactions using derivatives for risk management purposes

Foreign currency exchange risk
Fluctuations in foreign exchange rates can have significant effects on the company's reported results. The company's financial assets and liabilities give rise to transactional currency exposures Such exposures arise from transactions in a currency other than the company's functional currency The management of such risks is performed at BP group level. The main underlying economic currency of the BP group's cash flows is the US dollar This is because the BP group's major product, oil, is priced internationally in US dollars. The BP group's foreign exchange management policy is to minimise economic and significant transactional exposures arising from currency movements against the US dollar The group co-ordinates the handling of foreign exchange risks centrally, by netting off naturally occurring opposite exposures wherever possible and then dealing with any material residual foreign exchange risks. For highly probable forecast capital expenditures the group locks in the US dollar cost of non US dollar supplies by using currency forwards and futures

Crude oil prices are generally set in US dollars, while sales of refined products may be in a variety of currencies. Fluctuations in exchange rates can therefore give rise to foreign exchange exposures, with a consequent impact on underlying costs and revenues

Principal risks and uncertainties (continued)

Financial risk management (continued)

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the company. It arises from cash and cash equivalents, derivative financial instruments and deposits with financial institutions and principally from credit exposures to customers relating to outstanding receivables The management of such risks is performed at BP group level The group has a credit policy, approved by the CFO, which is designed to ensure that consistent processes are in place throughout the group to measure and control credit risk. Credit risk is considered as part of the risk-reward balance of doing business On entering into any business contract the extent to which the arrangement exposes the group to credit risk is considered Before trading with a new counterparty can start, its creditworthiness is assessed and a credit rating allocated that indicates the probability of default, along with a credit exposure limit. Creditworthiness continues to be evaluated after transactions have been initiated and a watch list of higher-risk counterparties is maintained

Commercial credit risk is measured and controlled to determine the company's total credit risk. Inability to determine adequately the company's credit exposure could lead to financial loss A credit crisis affecting banks and other sectors of the economy could impact the ability of counterparties to meet their financial obligations to the company It could also affect the company's ability to raise capital to fund growth and to meet its obligations

Future developments

The directors aim to maintain the management policies which have resulted in the company's growth in recent years They believe that the company is in a good position to take advantage of any opportunities which may arise in the future

It is the intention of the directors that the business of the company will continue for the foreseeable future

Directors

The present directors are listed on page 1.

P E Van Acker and R L Bartlett served as directors throughout the financial year Changes since 1 January 2012 are as follows

	Appointed	Resigned
F J Baudry	-	30 November 2012
R P M Das	30 November 2012	-

Directors' indemnity

The company indemnifies the directors in its Articles of Association to the extent allowed under section 232 of the Companies Act 2006.

BP AROMATICS LIMITED

REPORT OF THE DIRECTORS

Policy and practice on payment of creditors

It is the company's policy to follow the CBI's prompt payment code of practice for all suppliers to the company with payments made in accordance with the relevant contractual payment terms A copy of the code of practice may be obtained from the CBI

The number of days' purchases represented by trade creditors at the year-end was 24

Auditor

In the absence of a notice proposing that the appointment be terminated, Ernst & Young LLP will be deemed to be re-appointed as the company's auditor for the next year

Directors' statement as to the disclosure of information to the auditor

The directors who were members of the board at the time of approving the directors' report are listed on page 1 Having made enquiries of fellow directors and of the company's auditor, each of these directors confirms that

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditor is unaware, and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditor is aware of that information

By Order of the Board

Piet Van Hout
Company Secretary

11th of September 2013

Registered Office:

Chertsey Road
Sunbury on Thames
Middlesex
TW16 7BP
United Kingdom

BP AROMATICS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss for that period In preparing these accounts, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The directors confirm that they have complied with these requirements and, having a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, continue to adopt the going concern basis in preparing the accounts

BP AROMATICS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BP AROMATICS LIMITED

We have audited the financial statements of BP Aromatics Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the accounting policies and the related notes 1 to 17 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) These standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Annual Report and Accounts to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Ernst - Young LLP

William Testa (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

London
18 September 2013

BP AROMATICS LIMITED

ACCOUNTING POLICIES

Accounting standards

The financial statements of BP Aromatics Limited were approved for issue by the Board of Directors on 11 September 2013

These accounts are prepared on a going concern basis and in accordance with the Companies Act 2006 and applicable UK accounting standards

Accounting convention

The accounts are prepared under the historical cost convention.

Statement of cash flows

The group accounts of the ultimate parent undertaking contain a consolidated cash flow statement The company has taken advantage of the exemption granted by the Financial Reporting Standard No 1 (Revised), whereby it is not required to publish its own cash flow statement.

Revenue recognition

Revenue arising from the sale of goods is recognised when the significant risks and rewards of ownership have passed to the buyer and it can be reliably measured Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods provided in the normal course of business, net of discounts, customs duties and sales taxes

Foreign currency transactions

Foreign currency transactions are initially recorded in euros by applying the exchange rate ruling on the date of transaction Foreign currency monetary assets and liabilities are translated into euros at the rate of exchange ruling at the balance sheet date Exchange differences are included in the profit and loss account

Capitalisation of finance costs and interest

Interest costs are not capitalised and are charged in the profit and loss account in the year in which it is incurred.

Interest income

Interest income is recognised on an accruals basis

Dividends payable

Final dividends are recorded in the accounts in the year in which they are approved by the company's shareholders Interim dividends are recorded in the year in which they are approved and paid.

Stock valuation

Stocks are valued at cost to the company, using the first-in first-out method or net realisable value, whichever is the lower Stores are valued at cost to the company mainly using the average method or net realisable value, whichever is the lower.

BP AROMATICS LIMITED

ACCOUNTING POLICIES

Trade and other debtors

Trade and other debtors are carried at the original invoice amount, less allowances made for doubtful receivables Provision is made when there is objective evidence that the company will be unable to recover balances in full Balances are written off when the probability of recovery is assessed as being remote

Trade and other creditors

Trade and other creditors are carried at payment or settlement amounts If the effect of the time value of money is material, trade and other creditors are determined by discounting the expected future cash flows at a pre-tax rate

Leases

All lease arrangements are classified as operating leases Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term

Employee benefits

Wages, salaries, bonuses, social security contributions, paid annual leave and sick leave are accrued in the period in which the associated services are rendered by employees of the company Deferred bonus arrangements that have a vesting date more than 12 months after the period end are valued on an actuarial basis using the projected unit credit method and amortised on a straight line basis over the service period until the award vests. The accounting policy for pensions and other post-retirement benefits is described below

Pensions

The defined benefit pension scheme is a multi-employer scheme administered by the ultimate parent company, BP p l c The company is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis and so the scheme has been accounted for as a defined contribution scheme as allowed by FRS 17. Contributions to the scheme are charged through the company's profit and loss account in the year in which they become payable. Detailed disclosures have been made in the financial statements of the ultimate parent company

BP AROMATICS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 €000	2011 €000
Turnover	1	1,453,301	1,484,173
Cost of sales		(1,366,850)	(1,335,745)
Gross profit		86,451	148,428
Distribution and marketing expenses		(45,678)	(51,521)
Administration expenses		(1,312)	(9,016)
Profit on ordinary activities before interest and taxation	2	39,461	87,891
Interest payable and similar charges	4	(292)	(170)
Interest receivable and similar income	5	193	1,037
Profit before taxation		39,362	88,758
Taxation	6	(3,543)	(11,385)
Profit for the year		35,819	77,373

The profit of €35,819,000 for the year ended 31 December 2012 was derived in its entirety from continuing operations

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2012

There are no recognised gains or losses attributable to the shareholders of the company other than the profit for the year

EY

BP AROMATICS LIMITED
(Registered No.06226624)

BALANCE SHEET AT 31 DECEMBER 2012

	Note	2012 €000	2011 €000
Current assets			
Stocks	8	64,627	69,381
Debtors	9	260,074	357,713
		324,701	427,094
Creditors: amounts falling due within one year	10	(141,849)	(165,260)
Net current assets		182,852	261,834
NET ASSETS		182,852	261,834
Represented by			
Capital and reserves			
Called up share capital	12	85,000	85,000
Profit and loss account	13	96,927	176,108
Other reserves	13	925	726
SHAREHOLDERS' FUNDS – EQUITY INTERESTS		182,852	261,834

On behalf of the Board

P E Van Acker
Director

11/9/2013

EY

1. Turnover

Turnover, which is stated net of value added tax, customs duties and sales taxes represents amounts invoiced to third parties and group companies

An analysis of turnover by geographical market is given below

	2012	2011
	€000	€000
By geographical area		
UK	83,813	86,782
Rest of Europe	944,989	841,259
Rest of World	424,499	556,132
Total	1,453,301	1,484,173

Turnover is attributable to one continuing activity, the manufacturing (via tolling agreements) and selling of chemical products

2. Profit on ordinary activities before interest and taxation

This is stated after charging:

	2012	2011
	€000	€000
Hire charges under operating leases		
Plant & machinery	6,434	6,707
Currency exchange losses	1,714	7,395

3. Auditor's remuneration

	2012	2011
	€000	€000
Fees for the audit of the company	44	40

Fees paid to the company's auditor, Ernst & Young LLP, and its associates for services other than the statutory audit of the company are not disclosed in these accounts since the consolidated accounts of BP Aromatics Limited's ultimate parent, BP p.l.c , are required to disclose non-audit fees on a consolidated basis

4. Interest payable and similar charges

	2012	2011
	€000	€000
Interest expense on		
Loans from group undertakings	292	170

5. Interest receivable and similar income

	2012	2011
	€000	€000
Interest income from group undertakings	193	1,037

6. Taxation

The Company's tax residency was transferred from the United Kingdom to Belgium in April 2008

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in Belgium of 34% for the year ended 31 December 2012 (2011. 34%) The differences are reconciled below

	2012	2011
	€000	€000
Profit on ordinary activities before tax	39,362	88,758
Current taxation	3,543	11,385
Effective current tax rate	9%	13%

	2012	2011
	%	%
Belgium statutory corporation tax rate.	34	34
Decrease resulting from.		
Non-deductible expenditure / non-taxable income	(25)	(21)
Effective current tax rate	9	13

EY

7. Directors and employees

(a) Remuneration of directors

None of the directors received any fees or remuneration for services as directors of the company during the financial year (2011 €Nil)

(b) Employee costs

	2012	2011
	€000	€000
Wages and salaries	1,460	1,267
Social security costs	611	611
Pension costs	293	298
Employee share scheme costs	217	298
	2,581	2,474

(c) The average monthly number of employees during the year was 18 (2011: 17)

	2012	2011
	No.	No
Non-UK	18	17

8. Stocks

	2012	2011
	€000	€000
Raw materials and consumables	16,750	21,410
Finished goods and goods for resale	47,877	47,971
	64,627	69,381

The difference between the carrying value of stocks and their replacement cost is not material

9. Debtors

	2012	2012	2011	2011
	Within 1 year	After 1 year	Within 1 year	After 1 year
	€000	€000	€000	€000
Trade debtors	176,593	311	161,786	248
Amounts owed by group undertakings	66,739	-	170,256	-
Other debtors	15,994	-	24,985	-
Prepayments and accrued income	437	-	438	-
	259,763	311	357,465	248

10. Creditors

	2012 Within 1 year €000	2011 Within 1 year €000
Trade creditors	90,193	64,927
Amounts owed to group undertakings	48,831	86,598
Other creditors	2,494	1,641
Accruals and deferred income	331	12,094
	141,849	165,260

11. Obligations under leases

Annual commitments under non-cancellable operating leases are set out below

	2012 Plant & machinery	2011 Plant & machinery
Operating leases which expire	€000	€000
Within 1 year	3,167	-
Between 2 to 5 years	1,121	5,436

12. Called up share capital

	2012 €000	2011 €000
Allotted, called up and fully paid		
85,000,000 Ordinary shares of €1 each for a total nominal value of €85,000,000	85,000	85,000

13. Capital and reserves

	Called up share capital	Profit and loss account	Other reserves	Total
	€000	€000	€000	€000
At 1 January 2012	85,000	176,108	726	261,834
Share based payments transactions	-	-	199	199
Profit for the year	-	35,819	-	35,819
Dividends – current year interim paid	-	(115,000)	-	(115,000)
At 31 December 2012	85,000	96,927	925	182,852

In 2012 the company paid interim ordinary dividends of €115,000,000 (2011 €Nil) The dividend per share was €1 35 (2011 dividend per share: €Nil)

EY

14. Reconciliation of movements in shareholders' funds

	2012	2011
	€000	€000
Profit for the year	35,819	77,373
Share based payment transactions	199	276
Dividends – current year interim paid	(115,000)	-
Net (decrease) / increase in shareholders' funds	(78,982)	77,649
Shareholders' funds at 1 January	261,834	184,185
Shareholders' funds at 31 December	182,852	261,834

15. Related party transactions

The company has taken advantage of the exemption contained within Financial Reporting Standard No 8 "Related Party Disclosures", and has not disclosed transactions entered into with group companies There were no other related party transactions in the year

16. Pensions

The company is a participating employer in the BP White and Blue Collar Pension Fund The level of contributions made to the BP White and Blue Collar Pension Fund is the amount needed to provide adequate funds to meet pension obligations as they fall due, and are based on pension costs in respect of all members of the fund.

The obligation and cost of providing pensions is assessed annually by using the projected unit cost method and is subject to a formal actuarial valuation at least every three years During 2012 contributions of €177,000 (2011 €130,000) were made to the BP White and Blue Collar Pension Fund

The BP White and Blue Collar Pension Fund is operated in a way that does not allow the individual participating employing companies in the Pension Funds within the trust to identify their share of the underlying assets and liabilities of the fund on a consistent and reasonable basis. Therefore the company's pension contributions have been accounted for as an expense as if they were contributions to a defined contribution scheme and no further FRS 17 disclosures have been made in these accounts

In the BP p l c accounts, pension plan assets are measured at fair value and pension plan liabilities are measured on an actuarial basis using the projected unit credit method and discounted at an interest rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the plan liabilities. Actuarial gains and losses are recognised in full in this company's statement of total recognised gains and losses in the period in which they occur

17. Immediate and ultimate controlling parent undertaking

The immediate parent undertaking is BP Aromatics Holdings Limited, a company registered in England and Wales The ultimate controlling parent undertaking is BP p l c , a company registered in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements Copies of the consolidated financial statements of BP p l c. can be obtained from 1 St James's Square, London, SW1Y 4PD.