BP PLC
Form 6-K
July 30, 2013
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

for the period ended July, 2013

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 Form 20-F or Form 40-F.

Form 20-F |X| Form 40-F
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Indicate by check mark whether the registrant by furnishing the information

contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes --------------- No |X| ----------------

BP p.l.c.
Group results
Second quarter and half year 2013(a)

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FOR IMMEDIATE RELEASE London 30 July 2013

Second quarter 2012	First quarter 2013	Second quarter 2013	$ million	First half 2013	First half 2012
(1,519)	16,863	2,042	Profit (loss) for the period(b)	18,905	4,248
1,623	(267)	358	Inventory holding (gains) losses, net of tax	91	637
104	16,596	2,400	Replacement cost profit(c)	18,996	4,885
3,447	(12,381)	312	Net (favourable) unfavourable impact of non-operating items and fair value accounting effects, net of tax(d)	(12,069)	3,317
3,551	4,215	2,712	Underlying replacement cost profit(c)	6,927	8,202
			Replacement cost profit		
0.54	86.67	12.62	per ordinary share (cents)	99.55	25.71
0.03	5.20	0.76	per ADS (dollars)	5.97	1.54
			Underlying replacement cost profit		
18.66	22.01	14.26	per ordinary share (cents)	36.30	43.16
1.12	1.32	0.86	per ADS (dollars)	2.18	2.59

- BP's second-quarter replacement cost (RC) profit was $2,400 million, compared with $104 million a year ago. After adjusting for a net charge for non-operating items of $366 million and net favourable fair value accounting effects of $54 million (both on a post-tax basis), underlying RC profit for the second quarter was $2,712 million, compared with $3,551 million for the same period in 2012. For the half year, RC profit was $18,996 million, compared with $4,885 million a year ago. After adjusting for a net gain for non-operating items of $12,058 million and net favourable fair value accounting effects of $11 million (both on a post-tax basis), underlying RC profit for the half year was $6,927 million, compared with $8,202 million for the same period last year. 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 2, 19 and 21.
- All amounts relating to the Gulf of Mexico oil spill have been treated as non-operating items, with a net adverse impact on a pre-tax basis of $209 million for the quarter and $241 million for the half year 2013. For further information on the Gulf of Mexico oil spill and its consequences, including information on utilization of the

Deepwater Horizon Oil Spill Trust fund, see page 10 and Note 2 on pages 25 - 30. Information on the Gulf of Mexico oil spill is also included in Principal risks and uncertainties on pages 35 - 42 and Legal proceedings on pages 43 - 45.

- Including the impact of the Gulf of Mexico oil spill, net cash provided by operating activities for the quarter and half year was $5.4 billion and $9.4 billion respectively, compared with $4.4 billion and $7.9 billion in the same periods of 2012. Excluding amounts related to the Gulf of Mexico oil spill, net cash provided by operating activities for the second quarter and half year was $5.2 billion and $9.5 billion respectively, compared with $6.1 billion and $10.7 billion in the same periods last year.
- Net debt at the end of the quarter was $18.2 billion, compared with $31.5 billion a year ago. The ratio of net debt to net debt plus equity at the end of the quarter was 12.3% compared with 21.7% a year ago. Net debt and the ratio of net debt to net debt plus equity are non-GAAP measures. See page 3 for more information.
- The effective tax rate (ETR) on RC profit for the second quarter and half year was 46% and 20% respectively, compared with 56% and 35% for the same periods in 2012. Adjusting for non-operating items and fair value accounting effects, the underlying ETR in the second quarter and half year was 45% and 41% respectively, compared with 35% and 34% for the same periods in 2012. The increase in both periods was mainly due to foreign exchange impacts on deferred tax; the half year was also impacted by a reduction in equity-accounted earnings (which are reported net of tax).
- Total capital expenditure for the second quarter was $5.8 billion, all of which was organic(e). For the half year, total capital expenditure was $23.5 billion, of which organic capital expenditure was $11.5 billion. Disposal proceeds received in cash were $2.9 billion for the quarter and $21.2 billion for the half year.
- Finance costs and net finance expense relating to pensions and other post-retirement benefits were a charge of $369 million for the second quarter, compared with $390 million for the same period in 2012. For the half year, the respective amounts were $773 million and $795 million.
- As at 26 July, BP had bought back 345 million shares for a total amount of $2.4 billion, including fees and stamp duty, since the announcement on 22 March of an $8 billion share repurchase programme expected to be fulfilled over 12 - 18 months.
- BP today announced a quarterly dividend of 9 cents per ordinary share ($0.54 per ADS), which is expected to be paid on 20 September 2013. The corresponding amount in sterling will be announced on 10 September 2013. A scrip dividend alternative is available, allowing shareholders to elect to receive their dividend in the form of new ordinary shares and ADS holders in the form of new ADSs. Details of the scrip dividend programme are available at bp.com/scrip.

(a) This results announcement also represents BP's half-yearly financial report (see page 11).
(b) Profit attributable to BP shareholders.
(c) See page 2 for definitions of RC profit and underlying RC profit.
(d) See pages 20 and 21 respectively for further information on non-operating items and fair value accounting effects.
(e) Organic capital expenditure excludes acquisitions, asset exchanges, and other inorganic capital expenditure. See page 18 for further information.

The commentaries above and following are based on RC profit and should be read in conjunction with the cautionary statement on page 46.

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Analysis of RC profit before interest and tax
and reconciliation to profit for the period

Second quarter 2012	First quarter 2013	Second quarter 2013	$ million	First half 2013	First half 2012
			RC profit before interest and tax		

2,913	5,562	4,400	Upstream	9,962	9,896
(1,732)	1,647	1,016	Downstream	2,663	(873)
452	12,500	-	TNK-BP(a)	12,500	1,516
-	85	218	Rosneft(b)	303	-
(522)	(467)	(573)	Other businesses and corporate	(1,040)	(1,193)
(843)	(22)	(199)	Gulf of Mexico oil spill response(c)	(221)	(813)
457	427	129	Consolidation adjustment - UPII(d)	556	(84)
725	19,732	4,991	RC profit before interest and tax	24,723	8,449
(390)	(404)	(369)	Finance costs and net finance expense relating to pensions and other post-retirement benefits	(773)	(795)
(186)	(2,653)	(2,138)	Taxation on a RC basis	(4,791)	(2,663)
(45)	(79)	(84)	Non-controlling interests	(163)	(106)
104	16,596	2,400	RC profit attributable to BP shareholders	18,996	4,885
(2,324)	406	(506)	Inventory holding gains (losses)	(100)	(887)
701	(139)	148	Taxation (charge) credit on inventory holding gains and losses	9	250
(1,519)	16,863	2,042	Profit for the period attributable to BP shareholders	18,905	4,248

(a)BP ceased equity accounting for its share of TNK-BP's earnings from 22 October 2012. See Note 3 on page 31 for further information.
(b)BP's investment in Rosneft is accounted under the equity method from 21 March 2013. See page 8 for further information.
(c)See Note 2 on pages 25 - 30 for further information on the accounting for the Gulf of Mexico oil spill response.
(d)Unrealized profit in inventory.

Replacement cost (RC) profit or loss reflects the replacement cost of supplies and is arrived at by excluding inventory holding gains and losses from profit or loss. RC profit or loss is the measure of profit or loss for each operating segment that is required to be disclosed under International Financial Reporting Standards (IFRS). RC profit or loss for the group is not a recognized GAAP measure. See page 19 for further information on RC profit or loss.

Analysis of underlying RC profit before interest and tax

Second quarter 2012	First quarter 2013	Second quarter 2013	$ million	First half 2013	First half 2012
			Underlying RC profit before interest and tax		
4,401	5,702	4,288	Upstream	9,990	10,695
1,133	1,641	1,201	Downstream	2,842	2,060
452	-	-	TNK-BP	-	1,609
-	85	218	Rosneft	303	-
(540)	(461)	(438)	Other businesses and corporate	(899)	(975)
457	427	129	Consolidation adjustment - UPII	556	(84)
5,903	7,394	5,398	Underlying RC profit before interest and tax	12,792	13,305
(386)	(394)	(359)	Finance costs and net finance expense relating to pensions and other post-retirement benefits	(753)	(785)
(1,921)	(2,706)	(2,243)	Taxation on an underlying RC basis	(4,949)	(4,212)
(45)	(79)	(84)	Non-controlling interests	(163)	(106)
3,551	4,215	2,712	Underlying RC profit attributable to BP shareholders	6,927	8,202

Underlying RC profit or loss is RC profit or loss after adjusting for non-operating items and fair value accounting effects. Underlying RC profit or loss and fair value accounting effects are not recognized GAAP measures. On pages 20 and 21 respectively, we provide additional information on the non-operating items and fair value accounting effects that are used to arrive at underlying RC profit or loss in order to enable a full understanding of the events and their financial impact.

Reconciliations of underlying RC profit or loss to the nearest equivalent IFRS measure are provided on page 1 for the group and on pages 4 - 9 for the segments.

BP believes that underlying RC profit or loss is a useful measure for investors because it is a measure closely tracked by management to evaluate BP's operating performance and to make financial, strategic and operating decisions and because it may help investors to understand and evaluate, in the same manner as management, the underlying trends in BP's operational performance on a comparable basis, period on period, by adjusting for the effects of these non-operating items and fair value accounting effects.

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Per share amounts

Second quarter 2012	First quarter 2013	Second quarter 2013		First half 2013	First half 2012
			Per ordinary share (cents)		
(7.99)	88.07	10.73	Profit (loss) for the period	99.07	22.35
0.54	86.67	12.62	RC profit for the period	99.55	25.71
18.66	22.01	14.26	Underlying RC profit for the period	36.30	43.16
			Per ADS (dollars)		
(0.48)	5.28	0.64	Profit (loss) for the period	5.94	1.34
0.03	5.20	0.76	RC profit for the period	5.97	1.54
1.12	1.32	0.86	Underlying RC profit for the period	2.18	2.59

The amounts shown above are calculated based on the basic weighted average number of shares outstanding. See Note 7 on page 33 for details of the calculation of earnings per share.

Net debt ratio - net debt: net debt + equity

Second quarter 2012	First quarter 2013	Second quarter 2013		First half 2013	First half 2012
			$ million		
47,647	46,425	46,990	Gross debt	46,990	47,647
1,067	1,083	460	Less: fair value asset of hedges related to finance debt	460	1,067
46,580	45,342	46,530		46,530	46,580
15,075	27,679	28,313	Less: cash and cash equivalents	28,313	15,075
31,505	17,663	18,217	Net debt	18,217	31,505
113,415	131,085	130,133	Equity	130,133	113,415
21.7%	11.9%	12.3%	Net debt ratio	12.3%	21.7%

See Note 8 on page 34 for further details on finance debt.

Net debt and net debt ratio are non-GAAP measures. Net debt includes the fair value of associated derivative financial instruments that are used to hedge foreign exchange and interest rate risks relating to finance debt, for which hedge accounting is claimed. The derivatives are reported on the balance sheet within the headings 'Derivative financial instruments'. We believe that net debt and net debt ratio provide useful information to investors. Net debt enables investors to see the economic effect of gross debt, related hedges and cash and cash equivalents in total. The net debt

ratio enables investors to see how significant net debt is relative to equity from shareholders.

Dividends

Dividends payable

BP today announced a dividend of 9 cents per ordinary share expected to be paid in September. The corresponding amount in sterling will be announced on 10 September 2013, calculated based on the average of the market exchange rates for the four dealing days commencing on 4 September 2013. Holders of American Depositary Shares (ADSs) will receive $0.54 per ADS. The dividend is due to be paid on 20 September 2013 to shareholders and ADS holders on the register on 9 August 2013. A scrip dividend alternative is available, allowing shareholders to elect to receive their dividend in the form of new ordinary shares and ADS holders in the form of new ADSs. Details of the second-quarter dividend and timetable are available at bp.com/dividends and details of the scrip dividend programme are available at bp.com/scrip.

Dividends paid

Second quarter 2012	First quarter 2013	Second quarter 2013		First half 2013	First half 2012
			Dividends paid per ordinary share		
8.000	9.000	9.000	cents	18.000	16.000
5.150	6.001	5.834	pence	11.835	10.246
48.00	54.00	54.00	Dividends paid per ADS (cents)	108.00	96.00
			Scrip dividends		
11.1	14.5	43.8	Number of shares issued (millions)	58.3	50.7
73	101	315	Value of shares issued ($ million)	416	379

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Upstream

Second quarter 2012	First quarter 2013	Second quarter 2013		First half 2013	First half 2012
			$ million		
2,877	5,560	4,396	Profit before interest and tax	9,956	9,776
36	2	4	Inventory holding (gains) losses	6	120
2,913	5,562	4,400	RC profit before interest and tax	9,962	9,896
			Net (favourable) unfavourable impact of non-operating		
1,488	140	(112)	items and fair value accounting effects	28	799
4,401	5,702	4,288	Underlying RC profit before interest and tax(a)	9,990	10,695

(a) See page 2 for information on underlying RC profit and see page 5 for a reconciliation to segment RC profit before interest and tax by region.

The replacement cost profit before interest and tax for the second quarter and half year was $4,400 million and $9,962 million respectively, compared with $2,913 million and $9,896 million for the same periods in 2012. The second quarter and half year included net non-operating gains of $143 million and $63 million respectively, primarily related to disposal gains and fair value gains on embedded derivatives, partly offset by impairment charges. A year ago, there were net non-operating charges of $1,495 million in the second quarter and $673 million for the half year. Fair value accounting effects in the second quarter and half year had unfavourable impacts of $31 million and $91 million respectively, compared with a favourable impact of $7 million and an unfavourable impact of $126 million in the same periods a year ago.

After adjusting for non-operating items and fair value accounting effects, the underlying replacement cost profit before interest and tax for the second quarter and half year was $4,288 million and $9,990 million respectively, compared with $4,401 million and $10,695 million a year ago. The results for the second quarter and half year were adversely impacted by lower liquids realizations, higher costs, mainly exploration write-offs and higher depreciation, depletion and amortization, and lower production due to divestments, partly offset by an increase in underlying volumes and higher gas realizations. In addition to these factors, the first half of 2013 benefited from stronger gas marketing and trading activities, mainly in the first quarter.

Production for the quarter was 2,241mboe/d, 1.5% lower than the second quarter of 2012. After adjusting for the effects of divestments and entitlement impacts in our production-sharing agreements (PSAs), underlying production increased by 4.4%. This primarily reflects new major project volumes in Angola, the North Sea and the Gulf of Mexico, and improved Trinidad performance, partly offset by underlying base decline. For the first half, production was 2,285mboe/d, 3.3% lower than in the same period last year. After adjusting for the effect of divestments and entitlement impacts in our PSAs, first-half underlying production was 3.0% higher than in 2012.

Looking ahead, we expect third-quarter reported production to be lower than the second quarter, similar to the reduction we saw between the first and second quarters of 2013. This is the result of planned major turnaround activity and repairs in the high-margin North Sea, planned maintenance in Alaska and the continuing impact of our divestment programme. This is partly offset by continued project ramp-ups and reduced maintenance activity in Asia Pacific. We also expect costs to be seasonally higher in the third quarter compared with the second quarter. Full-year reported production is expected to be lower than 2012, mainly due to the impact of divestments. The actual reported outcome will depend on the exact timing of divestments, OPEC quotas and the impact of entitlement effects in our PSAs. After adjusting for divestments and the impact of entitlement effects in our PSAs, we continue to expect full-year production in 2013 to increase compared with 2012.

We continued to make strategic progress. In May, we announced we have agreed to sell our 60% interest in the Polvo oil field in Brazil to HRT Oil & Gas Ltda for $135 million in cash. Subject to regulatory approvals, the deal is expected to close in the second half of 2013. Also in Brazil, BP and its partners Total, Petrobras and Petrogal were named winning bidders for eight deepwater blocks offshore Brazil in the Brazilian National Petroleum Agency's 11th bid round. BP will be operator in two of the blocks.

Also in May, a significant gas and condensate discovery in the KG D6 block off the eastern coast of India was announced by Reliance Industries Limited and its partners, BP and NIKO.

In June, we announced plans to add $1 billion of new investment and two drilling rigs to our Alaska North Slope fields over the next five years. Changes in the state's oil tax policy helped to enable this increased investment. In addition, BP has secured support from the other working interest owners at Prudhoe Bay to begin evaluating an additional $3 billion of new development projects.

In Azerbaijan, the Shah Deniz consortium announced that it has selected the Trans Adriatic Pipeline to deliver gas volumes from the Shah Deniz Stage 2 project to customers in Greece, Italy and south-east Europe.

Also in June, BP was awarded interests in two licences in the Barents Sea as part of the recent 22nd offshore licensing round in Norway.

After the end of the quarter, we announced the completion of a deal with Petrobras to farm in to five deepwater exploration and production blocks operated by Petrobras in the Potiguar Basin, located in the Brazilian Equatorial Margin. We also announced that BP and CNOOC signed a PSA for Block 54/11 in the South China Sea.

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Upstream

These strategic developments build on the progress we announced with our first-quarter results, which comprised: the start-up of oil production from new facilities at Valhall in the Norwegian North Sea; reaching agreement with Maersk Drilling to develop conceptual engineering designs for new advanced technology offshore drilling rigs; completion of a successful flow test of the Itaipu-1A well offshore Brazil; and the decision to proceed with a two-year appraisal programme to evaluate a potential third phase of the Clair field, west of the Shetland Islands. We also announced our decision not to move forward with the current plan for the Mad Dog Phase 2 project in the deepwater Gulf of Mexico.

The commentary above contains forward-looking statements and should be read in conjunction with the cautionary statement on page 46.

Second quarter 2012	First quarter 2013	Second quarter 2013	$ million	First half 2013	First half 2012
			Underlying RC profit before interest and tax		
628	998	611	US	1,609	2,286
3,773	4,704	3,677	Non-US	8,381	8,409
4,401	5,702	4,288		9,990	10,695
			Non-operating items		
(2,273)	(6)	62	US	56	(1,326)
778	(74)	81	Non-US	7	653
(1,495)	(80)	143		63	(673)
			Fair value accounting effects(a)		
61	(40)	(33)	US	(73)	(10)
(54)	(20)	2	Non-US	(18)	(116)
7	(60)	(31)		(91)	(126)
			RC profit before interest and tax		
(1,584)	952	640	US	1,592	950
4,497	4,610	3,760	Non-US	8,370	8,946
2,913	5,562	4,400		9,962	9,896
			Exploration expense		
413	80	85	US(b)	165	475
203	242	349	Non-US	591	401
616	322	434		756	876
			Production (net of royalties)(c)		
			Liquids (mb/d)(d)		
350	366	335	US	351	402
119	115	97	Europe	106	121
681	712	732	Rest of World	722	676
1,150	1,193	1,165		1,179	1,199
			Natural gas (mmcf/d)		
1,648	1,532	1,573	US	1,553	1,734
478	329	286	Europe	307	489
4,399	4,733	4,386	Rest of World	4,558	4,532
6,525	6,593	6,244		6,418	6,755
			Total hydrocarbons (mboe/d)(e)		
635	631	606	US	618	701
201	171	147	Europe	159	205
1,439	1,528	1,488	Rest of World	1,508	1,458
2,275	2,330	2,241		2,285	2,364
			Average realizations(f)		
100.89	103.11	94.92	Total liquids ($/bbl)	99.08	104.67
4.54	5.52	5.37	Natural gas ($/mcf)	5.45	4.62
60.17	65.11	61.27	Total hydrocarbons ($/boe)	63.23	62.18

(a)These effects represent the favourable (unfavourable) impact relative to management's measure of performance. Further information on fair value accounting effects is provided on page 21.

(b)Second quarter and first half 2012 include $308 million classified within the 'other' category of non-operating items.

(c)Includes BP's share of production of equity-accounted entities in the Upstream segment.

(d)Crude oil and natural gas liquids.
(e)Natural gas is converted to oil equivalent at 5.8 billion cubic feet = 1 million barrels.
(f)Based on sales of consolidated subsidiaries only - this excludes equity-accounted entities.

Because of rounding, some totals may not agree exactly with the sum of their component parts.

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Downstream

Second quarter 2012	First quarter 2013	Second quarter 2013		First half 2013	First half 2012
			$ million		
(3,931)	2,055	501	Profit (loss) before interest and tax	2,556	(1,577)
2,199	(408)	515	Inventory holding (gains) losses	107	704
(1,732)	1,647	1,016	RC profit (loss) before interest and tax	2,663	(873)
			Net (favourable) unfavourable impact of non-operating		
2,865	(6)	185	items and fair value accounting effects	179	2,933
1,133	1,641	1,201	Underlying RC profit before interest and tax(a)	2,842	2,060

(a)See page 2 for information on underlying RC profit and see page 7 for a reconciliation to segment RC profit before interest and tax by region and by business.

The replacement cost profit before interest and tax for the second quarter and half year was $1,016 million and $2,663 million respectively, compared with losses of $1,732 million and $873 million for the same periods in 2012.

The 2013 results included net non-operating charges of $323 million for the second quarter and $304 million for the half year principally relating to impairment charges in our fuels business, compared with net charges of $2,678 million and $2,784 million for the same periods a year ago (see pages 7 and 20 for further information on non-operating items). Fair value accounting effects had favourable impacts of $138 million for the second quarter and $125 million for the half year, compared with unfavourable impacts of $187 million for the second quarter and $149 million for the half year of 2012.

After adjusting for non-operating items and fair value accounting effects, the underlying replacement cost profit before interest and tax for the second quarter and half year was $1,201 million and $2,842 million respectively, compared with $1,133 million and $2,060 million a year ago.

Replacement cost profit before interest and tax for the fuels, lubricants and petrochemicals businesses is set out on page 7.

The fuels business reported underlying replacement cost profit before interest and tax of $853 million for the second quarter and $2,090 million for the half year, compared with $785 million and $1,275 million in the same periods in 2012. For both the second quarter and half year, this improvement was principally due to a strong supply and trading contribution. The benefit from strong operations, including continued strong Solomon availability at 95.3% - a level that has not been exceeded since 2004, was more than offset by reduced throughput due to the planned crude unit outage at our Whiting refinery as part of the modernization project. Throughput was also impacted by planned turnarounds across the portfolio and divestments. Additionally, in comparison to 2012, the second-quarter results were favourably impacted by a decrease in the adverse effects from the prior-month pricing of barrels in our US refining system. This was offset by adverse impacts due to a narrowing of the discount for heavy Canadian crude compared with other grades.

The second quarter marked the safe start-up of the new crude unit at our Whiting refinery. The overall project is on track for completion during the second half of the year. Additionally, during March, BP-Husky Refining LLC successfully started up a new naphtha reformer at the Toledo refinery, and during May, we announced that the Cherry Point refinery commissioned its new diesel hydrotreater and hydrogen plant. Also during the second quarter we announced our intention to invest over $500 million in southern African refining and infrastructure projects.

On 3 June 2013, we completed the previously announced sale of the Carson, California refinery and related logistics and marketing assets to Tesoro Corporation for approximately $2.4 billion as part of a plan to reshape BP's US fuels business. During the first half of 2013, we also completed the sale of our Texas City refinery and related retail and logistics network in the south-eastern US to Marathon Petroleum Corporation.

Looking ahead to the third quarter, we expect refining margins to decline relative to the same quarter a year ago given global capacity additions and major refineries returning from planned and unplanned outages. BP's fuels profitability is expected to be lower than the record levels experienced in the third quarter of 2012 due to the absence of the profit generated by the divested Texas City and Carson refineries which delivered very strong results in that quarter.

The lubricants business delivered an underlying replacement cost profit before interest and tax of $372 million in the second quarter and $717 million in the half year, compared with $320 million and $645 million in the same periods last year. This represents another strong quarter and reflects continued margin capture driven by growth in the share of sales of our premium Castrol brands and strong profitability from growth markets.

The petrochemicals business reported an underlying replacement cost loss before interest and tax of $24 million in the second quarter and an underlying replacement cost profit before interest and tax of $35 million in the half year, compared with an underlying replacement cost profit before interest and tax of $28 million and $140 million respectively in the same periods last year. This decrease was due to the continued difficult environment impacting both volumes and margins and increased turnaround activity in the second quarter of this year. Margins and volumes are expected to remain under pressure for the rest of the year. In June, BP and its partner, Zhuhai Port Co, received final approvals from the Chinese government for the construction of a third purified terephthalic acid (PTA) plant, at Zhuhai, Guangdong.

The commentary above contains forward-looking statements and should be read in conjunction with the cautionary statement on page 46.

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Downstream

Second quarter 2012	First quarter 2013	Second quarter 2013	$ million	First half 2013	First Half 2012
			Underlying RC profit before interest and tax - by region		
450	750	557	US	1,307	739
683	891	644	Non-US	1,535	1,321
1,133	1,641	1,201		2,842	2,060
			Non-operating items		
(2,433)	28	(17)	US	11	(2,521)
(245)	(9)	(306)	Non-US	(315)	(263)
(2,678)	19	(323)		(304)	(2,784)
			Fair value accounting effects(a)		
(1)	(65)	219	US	154	(44)
(186)	52	(81)	Non-US	(29)	(105)
(187)	(13)	138		125	(149)
			RC profit (loss) before interest and tax		
(1,984)	713	759	US	1,472	(1,826)
252	934	257	Non-US	1,191	953
(1,732)	1,647	1,016		2,663	(873)
			Underlying RC profit (loss) before interest and tax - by business(b)(c)		
785	1,237	853	Fuels	2,090	1,275
320	345	372	Lubricants	717	645

28	59	(24)	Petrochemicals	35	140
1,133	1,641	1,201		2,842	2,060
			Non-operating items and fair value accounting effects(a)		
(2,863)	11	(188)	Fuels	(177)	(2,931)
(2)	(5)	3	Lubricants	(2)	(2)
-	-	-	Petrochemicals	-	-
(2,865)	6	(185)		(179)	(2,933)
			RC profit (loss) before interest and tax(b)(c)		
(2,078)	1,248	665	Fuels	1,913	(1,656)
318	340	375	Lubricants	715	643
28	59	(24)	Petrochemicals	35	140
(1,732)	1,647	1,016		2,663	(873)
18.9	17.4	19.1	BP average refining marker margin (RMM) ($/bbl)(d)	18.2	16.7
			Refinery throughputs (mb/d)		
1,295	937	711	US	824	1,256
706	806	745	Europe	775	741
281	322	252	Rest of World	287	279
2,282	2,065	1,708		1,886	2,276
94.5	95.1	95.3	Refining availability (%)(e)	95.2	94.7
			Marketing sales of refined products (mb/d)		
1,409	1,402	1,340	US	1,371	1,379
1,247	1,158	1,316	Europe(f)	1,237	1,219
603	557	549	Rest of World	553	589
3,259	3,117	3,205		3,161	3,187
2,568	2,308	2,527	Trading/supply sales of refined products	2,418	2,474
5,827	5,425	5,732	Total sales volumes of refined products	5,579	5,661
			Petrochemicals production (kte)		
1,110	1,076	1,081	US	2,157	2,188
998	1,014	814	Europe(c)	1,828	2,009
1,750	1,417	1,519	Rest of World	2,936	3,567
3,858	3,507	3,414		6,921	7,764

(a)Fair value accounting effects represent the favourable (unfavourable) impact relative to management's measure of performance. For Downstream, these arise solely in the fuels business. Further information is provided on page 21.

(b)Segment-level overhead expenses are included in the fuels business result.

(c)BP's share of income from petrochemicals at our Gelsenkirchen and Mülheim sites in Germany is reported in the fuels business.

(d)The RMM is the average of regional indicator margins weighted for BP's crude refining capacity in each region. Each regional marker margin is based on product yields and a marker crude oil deemed appropriate for the region. The regional indicator margins may not be representative of the margins achieved by BP in any period because of BP's particular refinery configurations and crude and product slate. In 2013 BP updated the RMM methodology; prior periods have been restated.

(e)Refining availability represents Solomon Associates' operational availability, which is defined as the percentage of the year that a unit is available for processing after subtracting the annualized time lost due to turnaround activity and all planned mechanical, process and regulatory maintenance downtime.

(f)A minor amendment has been made to 2012 volumes data.

Rosneft

Second quarter 2012	First quarter 2013	Second quarter 2013		First half 2013	First half 2012
			$ million		
-	85	231	Profit before interest and tax(a)	316	-
-	-	(13)	Inventory holding (gains) losses	(13)	-
-	85	218	RC profit before interest and tax	303	-
-	-	-	Net charge (credit) for non-operating items	-	-
-	85	218	Underlying RC profit before interest and tax(b)	303	-

(a)The Rosneft segment includes equity-accounted earnings from associates, representing BP's 19.75% share in Rosneft as shown in the table below. Second quarter 2013 as reported includes an amendment to first-quarter profit, which was reported based on a BP estimate.

			$ million		
			Income statement (BP share)		
-	110	417	Profit before interest and tax	527	-
-	(3)	(127)	Finance costs	(130)	-
-	(22)	(31)	Taxation	(53)	-
-	-	(28)	Non-controlling interests	(28)	-
-	85	231	Net income	316	-
-	-	(13)	Inventory holding (gains) losses, net of tax	(13)	-
-	85	218	Net income on a RC basis	303	-
-	-	-	Net charge (credit) for non-operating items, net of tax	-	-
-	85	218	Net income on an underlying RC basis(b)	303	-

(b)See page 2 for information on underlying RC profit.

Second quarter 2012	First quarter 2013	Second quarter 2013		First half 2013	First half 2012
			Production (net of royalties) (BP share)(c)		
-	102	826	Liquids (mb/d)(d)	466	-
-	89	689	Natural gas (mmcf/d)	391	-
-	117	945	Total hydrocarbons (mboe/d)(e)	533	-

Balance sheet	30 June 2013	31 December 2012
$ million		
Trade and other receivables - dividends receivable(f)	514	-
Investments in associates	11,896	-

(c)First quarter 2013 was based on BP's estimate of production for the period 21 - 31 March, averaged over the full quarter. First half 2013 reflects production for the period 21 March - 30 June, averaged over the half year.
(d)Liquids comprise crude oil, condensate and natural gas liquids.
(e)Natural gas is converted to oil equivalent at 5.8 billion cubic feet = 1 million barrels.
(f)Dividends receivable before deduction of withholding tax.

Following the completion of the sale and purchase agreements with Rosneft and Rosneftegaz on 21 March 2013, described in Note 3, BP's investment in Rosneft is reported as a separate operating segment under IFRS. See Note 3 on page 31 for further information.

Replacement cost profit before interest and tax(g) for the second quarter and half year was $218 million and $303 million respectively.

Production for the second quarter and half year was 945mboe/d and 533mboe/d respectively(h).

The second-quarter result represents a full quarter compared with only 11 days in the first quarter. This benefit was partly offset by exchange losses arising on Rosneft's foreign currency denominated debt due to rouble depreciation, falling oil prices and adverse duty lag effect realized during the quarter.

On 20 June 2013, Rosneft's Annual Shareholders Meeting approved the distribution of a dividend of approximately eight roubles per share. The dividend is expected to be received no later than 19 August 2013.

(g)Under equity accounting, BP's share of Rosneft's earnings after interest and tax is included in the BP group income statement within profit before interest and tax.
(h)Information on BP's share of TNK-BP's production for comparative periods is provided on page 22.

The commentary above contains forward-looking statements and should be read in conjunction with the cautionary statement on page 46.

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Other businesses and corporate

Second quarter 2012	First quarter 2013	Second quarter 2013		First half 2013	First half 2012
			$ million		
(522)	(467)	(573)	Profit (loss) before interest and tax	(1,040)	(1,193)
-	-	-	Inventory holding (gains) losses	-	-
(522)	(467)	(573)	RC profit (loss) before interest and tax	(1,040)	(1,193)
(18)	6	135	Net charge (credit) for non-operating items	141	218
(540)	(461)	(438)	Underlying RC profit (loss) before interest and tax(a)	(899)	(975)
			Underlying RC profit (loss) before interest and tax(a)		
(185)	(121)	(142)	US	(263)	(350)
(355)	(340)	(296)	Non-US	(636)	(625)

is treated as a partnership under the Treasury regulations relating to entity classification (the "check-the-box regulations"); and

is not a "publicly traded" partnership.
Under the check-the-box regulations, an unincorporated entity with at least two owners or members may elect to be classified either as an association taxable as a corporation or as a partnership. If such an entity fails to make an election, it generally will be treated as a partnership (or an entity that is disregarded for federal income tax purposes if the entity has only one owner or member) for federal income tax purposes. Each Partnership intends to be classified as a partnership for federal income tax purposes and no Partnership will elect to be treated as an association taxable as a corporation under the check-the-box regulations.

A publicly traded partnership is a partnership whose interests are traded on an established securities market or are readily tradable on a secondary market or the substantial equivalent thereof. A publicly traded partnership will not, however, be treated as a corporation for any taxable year if, for each taxable year beginning after December 31, 1987 in which it was classified as a publicly traded partnership, 90% or more of the partnership's gross income for such year consists of certain passive-type income, including real property rents, gains from the sale or other disposition of real property, interest, and dividends (the "90% passive income exception"). Treasury regulations provide limited safe harbors from the definition of a publicly traded partnership. Pursuant to one of those safe harbors (the "private placement exclusion"), interests in a partnership will not be treated as readily tradable on a secondary market or the substantial equivalent thereof if (1) all interests in the partnership were issued in a transaction or transactions that were not required to be registered under the Securities Act of 1933, as amended, and (2) the partnership does not have more than 100 partners at any time during the partnership's taxable year. In

determining the number of partners in a partnership, a person owning an interest in a partnership, grantor trust, or a subchapter S corporation that owns an interest in the partnership is treated as a partner in such partnership only if (1) substantially all of the value of the owner's interest in the entity is attributable to the entity's direct or indirect interest in the partnership and (2) a principal purpose of the use of the entity is to permit the partnership to satisfy the 100-partner limitation. Each Partnership qualifies for the private placement exclusion. Additionally, if our operating partnership were a publicly traded partnership, we believe that our operating partnership would have sufficient qualifying income to satisfy the 90% passive income exception and thus would continue to be taxed as a partnership for federal income tax

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purposes. We have not requested, and do not intend to request, a ruling from the IRS that the Partnerships will be classified as partnerships for federal income tax purposes.

If for any reason a Partnership were taxable as a corporation, rather than as a partnership, for federal income tax purposes, we likely would not be able to qualify as a REIT unless we qualified for certain relief provisions. See "Requirements for Qualification Income Tests" and "Requirements for Qualification Asset Tests." In addition, any change in a Partnership's status for tax purposes might be treated as a taxable event, in which case we might incur tax liability without any related cash distribution. See "Requirements for Qualification Distribution Requirements." Further, items of income and deduction of such Partnership would not pass through to its partners, and its partners would be treated as shareholders for tax purposes. Consequently, such Partnership would be required to pay income tax at corporate rates on its net income, and distributions to its partners would constitute dividends that would not be deductible in computing such Partnership's taxable income.

Income Taxation of the Partnerships and their Partners

Partners, Not the Partnerships, Subject to Tax. A partnership is not a taxable entity for federal income tax purposes. Rather, we are required to take into account our allocable share of each Partnership's income, gains, losses, deductions and credits for any taxable year of such Partnership ending within or with our taxable year, without regard to whether we have received or will receive any distribution from such

Partnership.

Partnership Allocations. Although a partnership agreement generally will determine the allocation of income and losses among partners, such allocations will be disregarded for tax purposes if they do not comply with the provisions of the federal income tax laws governing partnership allocations. If an allocation is not recognized for federal income tax purposes, the item subject to the allocation will be reallocated in accordance with the partners' interests in the partnership, which will be determined by taking into account all of the facts and circumstances relating to the economic arrangement of the partners with respect to such item. Each Partnership's allocations of taxable income, gain, and loss are intended to comply with the requirements of the federal income tax laws governing partnership allocations.

Tax Allocations With Respect to Contributed Properties. Income, gain, loss and deduction attributable to appreciated or depreciated property that is contributed to a partnership in exchange for an interest in the partnership must be allocated in a manner such that the contributing partner is charged with, or benefits from, respectively, the unrealized gain or unrealized loss associated with the property at the time of the contribution. The amount of such unrealized gain or unrealized loss ("built-in gain" or "built-in loss") is generally equal to the difference between the fair market value of the contributed property at the time of contribution and the adjusted tax basis of such property at the time of contribution (a "book-tax difference"). Such allocations are solely for federal income tax purposes and do not affect the book capital accounts or other economic or legal arrangements among the partners. The U.S. Treasury Department has issued regulations requiring partnerships to use a "reasonable

method" for allocating items with respect to which there is a book-tax difference and outlining several reasonable allocation methods.

Under our operating partnership's partnership agreement, depreciation or amortization deductions of our operating partnership generally will be allocated among the partners in accordance with their respective interests in our operating partnership, except to the extent that our operating partnership is required under the federal income tax laws governing partnership allocations to use a method for allocating tax depreciation deductions attributable to contributed properties that results in our receiving a disproportionate share of such deductions. In addition, gain or loss on the sale of a property that has been contributed, in whole or in part, to our operating partnership will be specially allocated to the

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contributing partners to the extent of any built-in gain or loss with respect to such property for federal income tax purposes.

Basis in Partnership Interest. Our adjusted tax basis in our partnership interest in our operating partnership generally is equal to:

- the amount of cash and the basis of any other property contributed by us to our operating partnership;
- increased by our allocable share of our operating partnership's income and our allocable share of indebtedness of our operating partnership; and
- reduced, but not below zero, by our allocable share of our operating partnership's loss and the amount of cash distributed to us, and by constructive distributions resulting from a reduction in our share of indebtedness of our operating

partnership.

If the allocation of our distributive share of our operating partnership's loss would reduce the adjusted tax basis of our partnership interest below zero, the recognition of such loss will be deferred until such time as the recognition of such loss would not reduce our adjusted tax basis below zero. To the extent that our operating partnership's distributions, or any decrease in our share of the indebtedness of our operating partnership, which is considered a constructive cash distribution to the partners, reduce our adjusted tax basis below zero, such distributions will constitute taxable income to us. Such distributions and constructive distributions normally will be characterized as long-term capital gain.

Depreciation Deductions Available to Our Operating Partnership. To the extent that our operating partnership acquired its hotels in exchange for cash, its initial basis in such hotels for federal income tax purposes generally was or will be equal to the purchase price paid by our operating partnership. Our operating partnership depreciates such depreciable hotel property for federal income tax purposes under the modified accelerated cost recovery system of depreciation ("MACRS"). Under MACRS, our operating partnership generally depreciates furnishings and equipment over a seven-year recovery period using a 200% declining balance method and a half-year convention. If, however, our operating partnership places more than 40% of its furnishings and equipment in service during the last three months of a taxable year, a mid-quarter depreciation convention must be used for the furnishings and equipment placed in service during that year. A first-year "bonus" depreciation deduction equal to 50% of the adjusted basis of qualified property is available for qualified property that is acquired after December 31, 2007 and before

January 1, 2010, and that is placed in service before January 1, 2010. "Qualified property" includes qualified leasehold improvement property (as defined below) and property with a recovery period of less than 20 years such as furnishings and equipment. "Qualified leasehold improvement property" generally includes improvements made to the interior of nonresidential real property that are placed in service more than three years after the date the building was placed in service. In addition, certain qualified leasehold improvement property placed in service before January 1, 2006 will be depreciated over a 15-year recovery period using a straight method and a half-year convention. Under MACRS, our operating partnership generally depreciates buildings and improvements over a 39-year recovery period using a straight line method and a mid-month convention. Our operating partnership's initial basis in hotels acquired in exchange for units in our operating partnership should be the same as the transferor's basis in such hotels on the date of acquisition by our operating partnership. Although the law is not entirely clear, our operating partnership generally depreciates such depreciable hotel property for federal income tax purposes over the same remaining useful lives and under the same methods used by the transferors. Our operating partnership's tax depreciation deductions are allocated among the partners in accordance with their respective interests in our operating partnership, except to the extent that our operating partnership is required under the federal income tax laws governing partnership allocations to use a method for allocating tax

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depreciation deductions attributable to contributed properties that results in our receiving a disproportionate share of such deductions.

Sale of a Partnership's Property

Generally, any gain realized by a Partnership on the sale of property held by the Partnership for more than one year will be long-term capital gain, except for any portion of such gain that is treated as depreciation or cost recovery recapture. Any gain or loss recognized by a Partnership on the disposition of contributed properties will be allocated first to the partners of the Partnership who contributed such properties to the extent of their built-in gain or loss on those properties for federal income tax purposes. The partners' built-in gain or loss on such contributed properties will equal the difference between the partners' proportionate share of the book value of those properties and the partners' tax basis allocable to those properties at the time of the contribution. Any remaining gain or loss recognized by the Partnership on the disposition of the contributed properties, and any gain or loss recognized by the Partnership on the disposition of the other properties, will be allocated among the partners in accordance with their respective percentage interests in the Partnership.

Our share of any gain realized by a Partnership on the sale of any property held by the Partnership as inventory or other property held primarily for sale to customers in the ordinary course of the Partnership's trade or business will be treated as income from a prohibited transaction that is subject to a 100% penalty tax. Such prohibited transaction income also may have an adverse effect upon our ability to satisfy the income tests for REIT status.

See " Income Tests." We do not presently intend, however, to acquire or hold or to allow any Partnership to acquire or hold any property that represents inventory or other property held primarily for sale to customers in the ordinary course of our or such Partnership's trade or business.

State and Local Taxes

We and/or you may be subject to taxation by various states and localities, including those in which we or a shareholder transacts business, owns property or resides. The state and local tax treatment may differ from the federal income tax treatment described above. Consequently, you should consult your own tax advisors regarding the effect of state and local tax laws upon an investment in our shares.

PLAN OF DISTRIBUTION

We may sell the securities being offered hereby in one or more of the following ways from time to time:

through agents to the public or to investors;

to underwriters or dealers for resale to the public or to investors;

directly to agents;

directly to investors;

through a combination of any of these

methods of sale; or

in any manner, as provided in the applicable prospectus supplement.

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We may also effect a distribution of the securities offered hereby through the issuance of derivative securities, including without limitation, warrants, forward delivery contracts and the writing of options. In addition, the manner in which we may sell some or all of the securities covered by this prospectus includes, without limitation, through:

- a block trade in which a broker-dealer will attempt to sell as agent, but may position or resell a portion of the block, as principal, in order to facilitate the transaction;
- purchases by a broker-dealer, as principal, and resale by the broker-dealer for its account;
- ordinary brokerage transactions and transactions in which a broker solicits purchasers; or
- privately negotiated transactions.

We may also enter into hedging transactions. For example, we may:

enter into transactions with a broker-dealer or affiliate thereof in connection with which such broker-dealer or affiliate will engage in short sales of securities offered pursuant to this prospectus, in which case such broker-dealer or affiliate may use securities issued pursuant to this prospectus close out its short positions;

sell securities short and redeliver such shares to close out our short positions;

enter into option or other types of transactions that require us to deliver securities to a broker-dealer or an affiliate thereof, who will then resell or transfer securities under this prospectus; or

loan or pledge securities to a broker-dealer or an affiliate

thereof, who may sell the loaned securities or, in an event of default in the case of a pledge, sell the pledged securities pursuant to this prospectus.

We will set forth in a prospectus supplement the terms of the offering of securities, including:

- the name or names of any agents or underwriters;
- the purchase price of the securities being offered and the proceeds we will receive from the sale;
- the terms of the securities offered;
- any over-allotment options under which underwriters or agents may purchase or place additional securities;
- any agency fees or underwriting discounts and other items constituting agents' or underwriters'

compensation;

any public offering price;

any discounts or concessions allowed or reallowed or paid to dealers; and

any securities exchanges on which such securities may be listed.

Agents

We may designate agents who agree to use their reasonable efforts to solicit purchases for the period of their appointment or to sell the securities being offered hereby on a continuing basis, unless otherwise provided in a prospectus supplement.

We may from time to time engage a broker-dealer to act as our offering agent for one or more offerings of our securities. If we reach agreement with an offering agent with respect to a specific offering, including the number of securities and any minimum price below which sales may not be made, then the offering agent will try to sell such common shares on the agreed terms. The offering agent could make sales in privately negotiated transactions and/or any other method permitted by law,

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including sales deemed to be an "at-the-market" offering as defined in Rule 415 promulgated under the Securities Act, including sales made directly on the NYSE, or sales made to or through a market maker other than on an exchange. The offering agent will be deemed to be an "underwriter" within the meaning of the Securities Act, with respect to any sales effected through an "at-the-market" offering.

Underwriters

If we use underwriters for a sale of securities, the underwriters will acquire the securities, and may resell the securities in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The obligations of the underwriters to purchase the securities will be subject to the conditions set forth in the applicable underwriting agreement. We may change from time to time any public offering price and any discounts or concessions the underwriters allow or reallow or pay to dealers. We may use underwriters with whom we have a material relationship. We will describe in the prospectus supplement naming the underwriter the nature of any such relationship.

Institutional Purchasers

We may authorize underwriters, dealers or agents to solicit certain institutional investors, approved by us, to purchase our securities on a delayed delivery basis or pursuant to delayed delivery contracts provided for payment and delivery on a specified future date. These institutions may include commercial and savings banks, insurance companies, pension funds, investment companies and educational and charitable

institutions. We will describe in the prospectus supplement details of any such arrangement, including the offering price and applicable sales commissions payable on such solicitations.

Direct Sales

We may also sell securities directly to one or more purchasers without using underwriters or agents. Underwriters, dealers and agents that participate in the distribution of the securities may be underwriters as defined in the Securities Act and any discounts or commissions they receive from us and any profit on their resale of the securities may be treated as underwriting discounts and commissions under the Securities Act. We will identify in the applicable prospectus supplement any underwriters, dealers or agents and will describe their compensation. We may have agreements with the underwriters, dealers and agents to indemnify them against specified civil liabilities, including liabilities under the Securities Act. Underwriters, dealers and agents may engage in transactions with or perform services for us in the ordinary course of their businesses from time to time.

Trading Markets and Listing of Securities

Unless otherwise specified in the applicable prospectus supplement, each class or series of securities will be a new issue with no established trading market, other than our common shares or our Series A preferred shares, each of which is listed on the NYSE. We may elect to list any other class or series of securities on any exchange, but we are not obligated to do so. It is possible that one or more underwriters may make a market in a class or series of securities, but the underwriters will not be obligated to do so and may discontinue any market making at any time without notice. We cannot give any assurance as to the liquidity of the trading

market for any of the securities.

Stabilization Activities

In accordance with Regulation M under the Exchange Act, underwriters may engage in over-allotment, stabilizing or short covering transactions or penalty bids in connection with an offering of our securities. Over-allotment transactions involve sales in excess of the offering size, which create a

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short position. Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum price. Short covering transactions involve purchases of the securities in the open market after the distribution is completed to cover short positions. Penalty bids permit the underwriters to reclaim a selling concession from a dealer when the securities originally sold by the dealer are purchased in a covering transaction to cover short positions. Those activities may cause the price of the securities to be higher than they would otherwise be. If commenced, the underwriters may discontinue any of the activities at any time.

LEGAL MATTERS

The validity of the securities covered by this prospectus has been passed upon for us by Hunton & Williams LLP. In addition, the summary of legal matters contained in the section of this prospectus under the heading "Federal Income Tax Consequences of Our Status as a REIT" is based on the opinion of Hunton & Williams LLP.

EXPERTS

The consolidated financial statements and schedule of Hersha Hospitality Trust as of December 31, 2008 and 2007 and for each of the years in the three-year period ended December 31, 2008 and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2008 have been incorporated by reference herein in reliance upon the report of KPMG LLP, independent registered public accounting firm, and, with respect to the

consolidated statements of operations, of changes in members' (deficiency) equity and of cash flows of Mystic Partners, LLC as of December 31, 2006 have been so incorporated in reliance on the report by PricewaterhouseCoopers LLP, independent registered public accounting firm, given on the authority of said firms as experts in accounting and auditing. KPMG LLP's report dated November 11, 2009 on the consolidated financial statements refers to an accounting change as the result of the Company's adoption of new accounting standards related to noncontrolling interests.

The consolidated statements of operations, of changes in members' (deficiency) equity and of cash flows of Mystic Partners, LLC and subsidiaries for the year ended December 31, 2006 incorporated in this prospectus by reference to the Annual Report on Form 10-K of Hersha Hospitality Trust for the year ended December 31, 2008 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to "incorporate by reference" into this prospectus the information we file with the SEC, which means that we can disclose important business, financial and other information to you by referring you to other documents separately filed with the SEC. All information incorporated by reference is part of this prospectus, unless and until that information is updated and superseded by the information contained in this prospectus or any information incorporated later. We incorporate

by reference the documents listed below that we have filed, or will file, with the SEC:

- our Annual Report on Form 10-K for the year ended December 31, 2008;
- the information specifically incorporated by reference into our Annual Report on Form 10-K for the year ended December 31, 2008 from our definitive proxy statement on Schedule 14A filed with the SEC on April 15, 2009;
- our Quarterly Reports on Form 10-Q for the quarterly periods ended September 30, 2009, June 30, 2009 and March 31, 2009;

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our Current Reports on Form 8-K filed with the SEC on January 7, 2009, May 29, 2009 (excluding the information furnished under Item 7.01), June 12, 2009, August 6, 2009 and November 12, 2009;

the description of our common shares contained in our Registration Statement on Form 8-A filed with the SEC on May 2, 2008 and any amendments or reports filed for the purpose of updating such description;

the description of our Series A preferred shares contained in our Registration Statement on Form 8-A filed with the SEC on May 2, 2008 and any amendments or reports filed for the

purpose of updating such description; and

all documents we file with the SEC pursuant to Sections 13(a), 13(c) 14 or 15(d) of the Exchange Act from the date of this prospectus prior to the date upon which the offering of the securities covered by this prospectus is terminated.

You may obtain copies of these filings (other than exhibits and schedules to such filings, unless such exhibits or schedules are specifically incorporated by reference into this prospectus or any applicable prospectus supplement) at no cost, by requesting them from us by writing or telephoning us at: Hersha Hospitality Trust, 501 Walnut Street, 9th Floor, Philadelphia, Pennsylvania 19106, Telephone: (215) 238 1046, Attention: Ashish R. Parikh, Chief Financial Officer.

WHERE YOU CAN OBTAIN MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any reports, statements, or other information we file with the SEC at its public reference room in Washington, D.C. (100 F Street, N.E., 20549). Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our filings are also available to the public on the internet, through a database

maintained by the SEC at http://www.sec.gov. In addition, you can inspect and copy reports, proxy statements and other information concerning Hersha Hospitality Trust at the offices of the New York Stock Exchange, Inc., 86 Trinity Place, New York, New York 10006, on which our common shares (symbol: "HT") are listed.

We also make available through out internet website (www.hersha.com) our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after such documents are electronically filed with, or furnished to, the SEC. The information of our website is not, and shall not be deemed to be, a part of this report or incorporated into any other filings we make with the SEC.

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24,000,000 Shares

Hersha Hospitality Trust

Class A Common Shares

PROSPECTUS SUPPLEMENT

BofA Merrill Lynch

Raymond James

UBS Investment Bank

Baird

Barclays Capital

CITADEL Securities

FBR Capital Markets

JMP Securities

Keefe, Bruyette & Woods

Oppenheimer & Co.

Stifel Nicolaus

March 19, 2010