



Information for holders of Royal Dutch New York Registry Shares

Unification of Royal Dutch and Shell Transport



You are encouraged to read the important information at the back of this booklet.

The Proposals – what’s happening

The current structure of the Royal Dutch/Shell Group (the Group) reflects the way the two companies combined their interests in the oil industry in 1907. Royal Dutch Petroleum Company (Royal Dutch) owns 60% of the Group and The “Shell” Transport and Trading Company, p.l.c (Shell Transport) owns 40%.

A review of the structure and governance of the Group was carried out during 2004 by a steering group drawn from the boards of Royal Dutch and Shell Transport. Under the steering group’s terms of reference, it was asked to consider:

- how to simplify the boards of Royal Dutch and Shell Transport and the Group holding companies and the management structures of Royal Dutch and Shell Transport and the Group;
- how decision-making processes and accountability could be improved; and
- ways in which effective leadership for Royal Dutch and Shell Transport and the Group as a whole could be enhanced.

The steering group heard the views of a large number of institutional shareholders and shareholder groups and considered a wide range of possible solutions. The final recommendations received the unanimous support of the boards and were announced on October 28, 2004.

The boards of Royal Dutch and Shell Transport have agreed, in principle, to propose to their shareholders the unification of Royal Dutch and Shell Transport under a single parent company, Royal Dutch Shell plc (Royal Dutch Shell). To implement the proposal:

- Royal Dutch Shell is making an offer (the Offer) to acquire all of the issued and outstanding ordinary shares of Royal Dutch in exchange for Royal Dutch Shell Class A ordinary shares (Class A Shares) or American depository receipts (ADRs) representing Class A Shares (Class A ADR); and
- Royal Dutch Shell proposes to become the parent company of Shell Transport pursuant to a United Kingdom reorganisational procedure referred to as a “scheme of arrangement”. As a result of the scheme of arrangement, holders of Shell Transport ordinary shares will receive Royal Dutch Shell Class B ordinary shares (Class B Shares) and holders of Shell Transport American depository receipts will receive ADRs representing Royal Dutch Shell Class B Shares.

Royal Dutch Shell is incorporated in England and Wales and has a single corporate headquarters and is resident in the Netherlands for Dutch and UK tax purposes.

The boards of Royal Dutch believe the proposals will strengthen the Group in a number of ways and provide, among other benefits:

Increased clarity and simplicity of governance

The boards of Royal Dutch believe that the unification will result in a clearer and simpler governance structure, including:

- a single, smaller board initially comprised of 10 non-executive and 5 executive directors; and
- a simplified senior management structure with a single non-executive Chairman, a single Chief Executive and clear lines of authority.

Increased accountability

The boards of Royal Dutch believe that the unification will lead to increased accountability and clearer lines of authority. This is expected to result from the fact that following the completion of the unification, the Royal Dutch Shell executive committee will report through the Chief Executive to a single board of directors with a single non-executive Chairman.

Increased management efficiency

The boards of Royal Dutch believe that the unification will increase the efficiency of decision-making and management processes generally, including through the elimination of dual corporate headquarters in favour of a single corporate headquarters in the Hague, the elimination of duplication and the centralisation of functions.

At the Royal Dutch Annual General Meeting on June 28, 2005, Royal Dutch will be seeking shareholder approval of the agreement which implements the proposed unification. You will receive information separately explaining how you can vote at the Royal Dutch Annual General Meeting.

The boards of Royal Dutch have unanimously reached the conclusion, on the basis of the considerations described in the Offer documentation, that the unification between Royal Dutch and Shell Transport is in the best interest of Royal Dutch, holders of Royal Dutch ordinary shares and Royal Dutch's other stakeholders. They are furthermore of the opinion that the Offer is fair and reasonable and accordingly unanimously recommend its acceptance. The boards of Royal Dutch have received a written opinion from ABN AMRO Bank N.V. that, as at May 13, 2005, based upon and subject to matters considered, assumptions used and qualifications set forth therein, the exchange ratio to be used in the Offer was fair, from a financial point of view, to the holders of Royal Dutch ordinary shares.

Questions and Answers

The Royal Dutch Boards have unanimously recommended that shareholders accept the Offer.

If I decide to tender my shares and the Offer is completed, how many shares will I receive in Royal Dutch Shell?

If you tender Royal Dutch ordinary shares in New York Registry form in the Offer and the Offer is completed, you will receive one Class A ADR for every Royal Dutch ordinary share in New York registry form you validly tender and do not properly withdraw. Each Class A ADR will represent two Class A shares.

What is the difference between Class A and Class B Shares?

Class A Shares and Class B Shares will have identical voting rights and will vote together as a single class on all matters, including the election of directors, unless a matter affects the rights of one class as a separate class. Class A Shares and Class B Shares will have identical rights upon our liquidation, and dividends declared on each will be equivalent in amount. However, in seeking to preserve the current tax treatment of dividends, holders of Class A Shares will receive Dutch source dividends, while holders of Class B Shares will receive dividends that are UK sourced to the extent that these dividends are paid through a dividend access mechanism.

What is the dividend policy of Royal Dutch Shell?

In setting the level of the dividend, the board of Royal Dutch Shell will seek to increase dividends at least in line with inflation over time. The base for the 2005 financial year will be the dividends paid by Royal Dutch in respect of the financial year ended December 31, 2004.

Dividends declared by Royal Dutch Shell will, following completion of the transaction, be paid on a quarterly basis starting with the dividend for the second quarter of 2005. This dividend is expected to be declared on July 28, 2005 and paid in September 2005.

Royal Dutch and Shell Transport have declared dividends on their respective shares in respect of the first quarter of 2005. The board of Royal Dutch Shell will take these dividends into account when determining the dividends which Royal Dutch Shell should declare for the remainder of the year.

Royal Dutch Shell will declare dividends in euro. Dividends declared on Class A Shares will be paid in euro, although holders of Class A Shares will be able to elect to receive dividends in pounds sterling. The Royal Dutch Shell Class A ADR depositary, the Royal Dutch Shell Class B ADR depositary and holders of Royal Dutch Shell ADRs will receive payment in US dollars.

What happens if I do not tender my shares?

You will continue to own your Royal Dutch ordinary shares in their current form. However, if the Offer is completed, the number of Royal Dutch ordinary shares remaining in public circulation may be so small that there would no longer be an active trading market for Royal Dutch ordinary shares. The absence of an active trading market could reduce the liquidity and market value of the Royal Dutch ordinary shares that you do not tender. In addition, Royal Dutch ordinary shares in New York registry form may no longer be eligible for trading on the New York Stock Exchange.

Following completion of the Offer and depending on the level of acceptance, we intend to request that Royal Dutch seeks to delist the Royal Dutch ordinary shares from the London Stock Exchange and Euronext Amsterdam and the Royal Dutch ordinary shares in New York registry form from the New York Stock Exchange. If Royal Dutch's ordinary shares in New York registry form are de-listed from the New York Stock Exchange and Royal Dutch has fewer than 300 holders of record of Royal Dutch ordinary shares in the United States, Royal Dutch may seek to deregister its New York registry shares under the Exchange Act.

In addition, Royal Dutch Shell reserves the right to use any legally permitted method to obtain 100% of the Royal Dutch ordinary shares, including engaging in a squeeze-out, one or more corporate restructuring transactions, changes to the Royal Dutch articles or in one or more transactions with holders or minority shares, including public or private exchanges or tender offers or purchases.

What is the Offer period and can it be extended?

The Offer is currently scheduled to expire at 5 pm New York City time (11 pm Amsterdam time) on July 18, 2005; however, we may extend the Offer until all the conditions to the Offer have been satisfied or waived.

If we extend the Offer, we will make an announcement to that effect no later than 3 am New York City time (9 am Amsterdam time) on the next Euronext Amsterdam trading day after the previously scheduled expiration date.

Where can I find out more information?

You are urged to carefully review the registration statement of Form F-4 (including the prospectus) and other documents relating to the Offer filed with, or furnished to, the US Securities and Exchange Commission (the SEC) by Royal Dutch Shell and the related solicitation/ recommendation statement on Schedule 14D-9 that has been filed with the SEC by Royal Dutch regarding the Offer. Each of these documents will contain important information relating to the Offer. You may obtain a free copy of the documents filed with the SEC after they are filed with the SEC at the SEC's website www.sec.gov. These documents may also be obtained free of charge at www.shell.com/unification or by contacting Georgeson Shareholder Communications Inc. at the number identified below:

Georgeson Shareholder
Toll-free: (877) 278-4235
Collect: (212) 440-9800

Important information:

Holders of Royal Dutch ordinary shares are urged to carefully review the registration statement on Form F-4 (including the prospectus) and other documents relating to the exchange Offer that have been or will be filed with, or furnished to, the US Securities and Exchange Commission (the SEC) by Royal Dutch Shell plc and the related solicitation/recommendation statement on Schedule 14D-9 that has been filed with the SEC by Royal Dutch and, as the case may be, the Royal Dutch offer document and the prospectus which will be filed with, or furnished to, Euronext Amsterdam N.V. and the Dutch Authority for the Financial Markets by Royal Dutch plc, regarding the Offer, because each of these documents will contain important information relating to the exchange Offer.

Contact information

For queries contact:

Georgeson Shareholder

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More information about Royal Dutch/Shell is available at www.shell.com