ROYAL DUTCH SHELL PLC
FOURTH QUARTER 2017 RESULTS

FEBRUARY 1ST 2018

FOURTH QUARTER 2017 RESULTS WEBCAST TO MEDIA AND ANALYSTS

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Ladies and gentlemen, it is a pleasure to welcome you here today. I am looking forward to talking to you about the results, and I will also be touching on portfolio developments following our Management Day in November last year.

But I can sum it all up for you in a few words. It has been a great year. It has been a transformative year. We said 2017 would be a year of delivery and we have delivered. Before we go further, however, let me highlight the disclaimer statement. 2017 was a year in which we showed we have what it takes to deliver a world-class investment case. It was a year of strong financial performance. Our relentless focus on value, achievement and competitiveness meant we were able to deliver strong earnings from our upgraded portfolio. New projects more than offset the impact of divestments, we had record LNG liquefaction and sales volumes, and Downstream volumes excluding divestments continue to grow.

Let me move to the financial summary of 2017. 2017 was a year of strong financial delivery – from each of our businesses. We achieved this in a volatile oil price environment. Our 2017 current cost of supplies earnings, excluding identified items, were around $16 billion, cash flow from operations was some $36 billion, and free cash flow was more than $27 billion. All of this at an average Brent price for the year of $54 per barrel. We also further reduced net debt by $8 billion in 2017. The declared dividend for 2017 amounts to some $16 billion, the Q4 2017 dividend will be fully paid in cash. The dividend intention for the Q1 2018 dividend is $0.47 per share - unchanged as compared to Q1 2017.

As I said earlier: 2017 was a year of delivery. We made good progress with our divestment programme – with $24 billion completed so far at a headline level since the beginning of 2016. We said our capital investment would be around $25 billion – we were $1 billion lower. We said we expected our underlying operating expenses to be less than $40 billion. Again, we delivered: $2.5 billion lower, and we continued to deliver and start up new projects throughout the year.

I would like to move on now to some of Shell's portfolio highlights in the fourth quarter. We completed several large divestment transactions during the quarter. We completed the sale of a package of UK North Sea assets for a total of up to $3.8 billion at headline level, we sold our shareholding in Woodside for total pre-tax proceeds of $2.7 billion and we completed the sale of our Gabon onshore interests. These divestments are all consistent with Shell's strategy and portfolio ambitions. They were all completed at competitive valuations. And all of them contributed significantly to the reduction of our gearing in 2017.

We are now close to completing our $30 billion divestment programme with $24 billion of divestments completed so far and another $6 billion either announced or significantly progressed all at headline level. This programme is a crucial part of the push to simplify our portfolio and deliver a world-class investment case. Also during the quarter first oil was achieved from the Libra field 180 kilometers off the coast of Rio de Janeiro in the Santos Basin. Since then Petrobras has declared commerciality for the north-west block and indicated that there is a total recoverable resources estimated at 3.3 billion barrels of oil. Another highlight concerns portfolio activity related to new energies. At the Management Day, we mentioned our ambition to accelerate the pace of our investment in New Energies. You saw evidence of that during Q4 2017, with three deals signed. Firstly, Shell acquired New Motion, which is one of Europe's largest providers of vehicle charging technology.

Shell also signed an agreement with IONITY, the operator of high-powered vehicle charging networks. The agreement is to provide 500 charge points across ten European countries, starting with 80 of Shell's biggest motorway stations. This will allow drivers of electric vehicles to travel long distances across Europe with confidence, as we provide the first network of its kind on key routes.

And the third deal signed was the agreement to acquire First Utility, which is a leading independent household energy and broadband supplier based in the UK. Once completed this will allow Shell to deliver power to the homes of an increasing number of customers. These steps are consistent with the New Energies strategy we presented during our Management Day in November. As we highlighted then, power is one of two focus areas for Shell's New Energies business, along with new fuels.

Power is the fastest-growing segment of the energy system. We see opportunities in different parts of the power value chain and additional opportunity through the integration of these parts. Spend on New Energies was modest in 2017, the recently announced deals reflect our intention to increase spend in New Energies in 2018. We expect our capital investment in new energies to be $1 - $2 billion on average per year till the end of the decade, but as it is dependent on the realisation of organic and inorganic opportunities, this might be more in one year as compared to the other, without changing the overall Group capital investment budget for the year. To continue with portfolio developments, let me cover some significant successes from our exploration activities.

Yesterday we announced what is expected to be one of our largest US Gulf of Mexico exploration finds in the past decade with the Whale deep-water well. Evaluation of the discovery is ongoing, and appraisal drilling is underway to further establish the size of the discovery, as well as to define development options. This major heartland discovery offers a combination of materiality and proximity to existing infrastructure. It adds to our previous Paleogene exploration success in the Perdido area. This discovery further strengthens our confidence in our exploration strategy, focused on near-field explorations, seeking not only material volumes but also short lead times between discovery and first production.

You may have seen yesterday that Shell and our partners won 9 exploration blocks located in the deep-water Mexican Gulf of Mexico. This is very exciting news, as it allows us to leverage our decades of expertise and leadership we have developed in the US Gulf of Mexico which will complement our position in the region. More to come on this in future quarters.

We have also achieved success in Brazil during Q4. As you know, this is a multi-faceted and fast-growing part of our portfolio. The first of these achievements is the record level of production achieved in Q4 2017. Shell produced around 350 thousand barrels of oil equivalent per day from Brazil in Q4, majority from the pre-salt, more than 3 times BG's last reported pre-salt volume in Q4 2014 of around 100 thousand barrels per day. In 2017 we also started up the Lula South FPSO. The two FPSOs - in Libra and Lula - represent 50 thousand barrels of oil equivalent per day production capacity - Shell share. Growth will continue in 2018 as we expect three more FPSOs to start up; P67 in Lula North, P68 in Berbigão and P69 in Lula extreme South – representing a total over 100 thousand barrels of oil equivalent per day peak production capacity, Shell share. The second achievement in the quarter, as I mentioned, was the declaration of commerciality for Libra. This was submitted by the Libra consortium at the end of November, and relates to the north-west block - which is now called the Mero field. This is an important step in the development of Libra and the consortium now plans for four new FPSOs to be deployed in the Mero field. In early December, Petrobras announced it had signed a contract to charter the first of these production FPSOs, with a daily operational capacity of up to 180,000 barrels of oil. The start of production is planned for 2021. The remaining three FPSOs for the Mero field are expected to follow, generating further growth in Brazil into the middle of the next decade. In addition, the consortium will continue the exploratory phase of the remaining area of Libra. Another achievement in Brazil has been that we have built on our growth platform, with the successful bid for three production sharing contracts, each lasting 35 years, for pre-salt blocks located in the Santos Basin. The winning bids include a Shell-operated block adjacent to Shell's Gato do Mato discovery, as well as an area close to the Sapinhoá field operated by Petrobras. The third block is the new Shell-operated Alto de Cabo Frio – West block. These winning bids add strategic acreage to our already-leading set of global deep-water growth options and extend our opportunities in Brazil well into the next decade. That gives you a good idea of our portfolio highlights from the quarter.

Now let me focus on 2017 financial delivery. I will start with two key drivers of our strategy – capital discipline and lower operating costs. I will then move on to speak to you about cash flow. In 2017 capital investment was $24 billion of which around $22.5 billion was in cash. This is lower than the $25 billion outlook we provided, and it reflects, to a large extent, continued improvements in capital efficiency and discipline in capital allocation. Later in this presentation, Jessica will tell you more about capital efficiency and project execution. At our November Management Day, I confirmed an unchanged capital investment range until 2020 of $25 billion to $30 billion with a soft floor and a hard ceiling and this holds even in a high oil price environment. This range fits our financial framework and is consistent with our growth aspirations. For 2018 you should expect us to maintain capital investment in the lower part of this range. Our underlying operating expenses in 2017 amounted to some $38 billion some 13% lower than two years ago and $2 billion lower than our $40 billion guidance for the year. We have now reduced underlying operating expenses on a 4-quarter rolling basis for 12 consecutive quarters. Looking forward, we will continue to be intensely focused on the competitiveness of our cost base. Portfolio changes and growth will affect the cost base, and we will continue to spend where it adds value in marketing or production optimisation for instance, without compromising on safety.

Moving on to cash flow. In 2017, we delivered $39 billion in cash flow from operations excluding working capital movements at $54 per barrel. An impressive number. It is a number which is 60% higher than in 2015 when the oil price was at a comparable level. In fact it is close to the 2014 figure when the oil price was $99 per barrel. This exceptional delivery illustrates the cash-generating capability of our portfolio, with each of our businesses successfully following a strategy focused on operational excellence and activities with high margins. This strong cash-generation momentum, combined with capital efficiency and discipline, is what gives us confidence that we are on track to deliver on the upgraded 2020 financial outlook we presented at our November Management Day. This performance delivered around $28 billion in free cash flow in 2017 with oil at $54 per barrel. By 2020, we expect to deliver between $25 and $30 billion in organic free cash flow, at an oil price of $60 per barrel, real terms 2016. While this outlook is ambitious, our performance in 2017 gives us confidence that it is realistic. We have close to $10 billion in cash flow from new projects still to be delivered in the 2018 to 2020 timeframe, growth across our portfolio and continued cash delivery from operational improvements. As we deliver on our strategy, the company is becoming a world-class investment. We have cancelled the scrip dividend programme and, subject to progress with debt reduction and recovery in oil prices, we will, start a share buyback programme of at least $25 billion in the period 2017-2020. This will be another factor to improve the financial metrics per share. As I said, it has been a great year. But there is plenty more for Shell to do. We must deliver and continue to drive returns as we are delivering a world-class investment case.

Let me hand over to Jessica.

Thanks Ben. It is good to be here today.

Let me update you further on our fourth quarter results, our operational performance and our financial framework.

In summary, excluding identified items, on a current cost of supplies basis, Shell's earnings in the fourth quarter were $4.3 billion – $2.5 billion more than in the fourth quarter of 2016, which represents an increase in earnings per share of more than130%.

On a Q4 to Q4 basis we saw higher earnings in all business segments. This was driven primarily by higher oil and gas prices as well as improved business performance. You will note that lower depreciation and a lower effective tax rate, excluding identified items primarily driven by changes in deferred tax positions, also contributed to these strong earnings.

Cash flow from operations was $7.3 billion, or $8.4 billion excluding working capital movements. This is $1.4 billion lower than in Q4 2016, primarily as a result of higher tax payments this quarter – $1.6 billion more than in Q4 2016. These higher tax payments reflect the outcome of positive developments. They were driven mostly by higher profitability but also by divestment completions and the overall positive resolution of various tax cases. Cash flow was also impacted by margining on commodity derivatives in our Integrated Gas business.

Our dividends distributed in the fourth quarter of 2017 were $3.9 billion, of which $1.6 billion were settled under the scrip programme. Dividends per share were $0.47 cents, to be compared with $0.52 cents per share CCS earnings.

Turning to reserves, our SEC proved reserves at the end of 2017 were 12.2 billion barrels of oil equivalent, which is a decrease of around 1 billion barrels from the end of 2016. Excluding production and the impact of divestments, reserves additions in 2017 amounted to 1.8 billion barrels – a reserves replacement ratio of 127%. Our 3-year average RRR stands at an estimated 78%.

Let me move to the financial and operational performance of each of our businesses. We delivered very strong earnings and cash in 2017, demonstrating significant improvement year-on-year. These are good results which support the full year 2017 highlights already mentioned by Ben: $16 billion earnings excluding identified items, $39 billion cash flow from operations excluding working capital movements and $15 billion organic free cash flow. This strong financial delivery is the result of improved performance as well as underlying growth in all our businesses.

The financial transformation of our Upstream business is notable. To understand what has happened it is useful to compare our performance in 2017 with our 2015 performance as the oil price was comparable in those two years. Between 2015 and 2017, our CFFO per boe has increased by more than two and half times. We have increased our production by 20% while at the same time we have reduced costs by 20%. This is truly remarkable progress and we are confident that there is still more potential to improve. This will come as the Upstream team continues to enhance the performance of the assets, and benchmark every individual asset – each major activity – to ensure we are achieving top quartile performance in terms of availability and costs.

Moving on to Integrated Gas, the performance of this business reflects the strength of our integrated portfolio. In the low oil price environment since 2015, we have demonstrated the resilience of our Integrated Gas business. In 2017 it generated earnings excluding identified items above $5 billion and delivered $6.5 billion cash flow from operations. This was achieved at $54 per barrel and despite the partial shutdown of Pearl GtL for a few months in 2017. This resilience is the result of a diversified industry-leading portfolio, with supply and market positions around the globe, and expertise at each step of the value chain including the unique marketing and optimisation capabilities we have developed.

Our Downstream business is another example of increased resilience, competitiveness and differentiation. In 2017, our Downstream business delivered more than $12 billion in cash flow from operations. We continue to be the number one fuels retailer in the world. We have the number one lubricants brand which is supported by integrated manufacturing assets in each key market. In Chemicals we saw a record year from an earnings perspective.

Operational performance has been an important driver of this financial transformation in each of these businesses, so let's now look more closely at this. Starting with production, our strong performance has allowed us to maximise returns in an improving price environment.

Comparing Q4 2017 with Q4 2016 production, operational improvements and the delivery of new projects have played a key role in offsetting the impacts of both natural declines and divestments. In Q4 2017, divestments affected production by around 270 thousand barrels of oil equivalent per day compared with Q4 2016.

I would like to mention three examples to illustrate the impact of operational improvements. In Malaysia's Sabah deepwater, a multi-disciplinary team was created to address reliability, resulting in a reliability increase from 86% in 2014 to 95% in 2017. In the Gulf of Mexico we improved the way we manage the performance of our wells, reservoirs and topside processing equipment. The interventions made in 2017 have the potential to unlock up to 74 thousand barrels of oil equivalent per day, Shell share before royalties, by the end of 2018, for an investment of around $60 million. A third example is our initiative to achieve higher asset availability by increasing the intervals between planned shutdown maintenance activities. By doing this we have saved around $200 million in gross costs so far and reduced the deferment of volumes by around 20 million barrels of oil equivalent, while maintaining asset integrity.

Moving on to operational performance in LNG, which you can see on the slide as well. We have seen a steady growth in our liquefaction and sales volumes as Gorgon has continued to ramp up and the demand for LNG, particularly from China, has remained strong. On the third chart on this slide you can see that, in Downstream, availability for both Chemicals and Refining has been stronger than in 2016, despite the impact of hurricane Harvey at Deer Park and a one month unplanned shutdown in Pernis in Q3 2017.

This progress on operational efficiency does not mean we have lost our focus on capital spending. In fact, our capital efficiency continues to improve. Discipline, focus and capital efficiency have allowed us to maintain our investment levels at or below the bottom of the $25-30 billion range.

We can now create more value for every dollar spent, compared to a few years ago. We delivered $6 billion in capital efficiency over the period 2014-2017 and we are now working to deliver $9 to $10 billion of capital efficiency savings in the next few years. This represents material savings against the original projected cost of projects. These savings are expected to materialise over time as projects are executed. Simply said, we are able to do the same for less. We can deliver more growth from the same capital investment budget.

In deep water and conventional oil and gas, we have achieved significant capital efficiency improvements as can be seen on the slide in the unit development cost reductions. Overall, the portfolio unit development costs have reduced by 35% since 2014. Part of the savings comes from our supply chai, while more actually comes from changes in the way we design and execute projects and new ways of working focused on the realisation of value opportunities.

Let me give you a few examples. We have structurally worked on key levers to deliver resilient and capital-efficient projects. We have fundamentally changed the way we conceptualise and execute projects. We apply more cost-effective design specifications, we optimize design through replication, and improve efficiency through leaner work processes leading to greater site work efficiency. The objective is to sustain capital efficiency even if the contractor market heats up again.

We are now choosing value and resiliency over engineering achievements. Our focus is on the competitive scoping of our designs, our effectiveness in execution, our ways of working, as well as leveraging the supply chain. Through these improved ways of working, safety remains our first priority, with improved safety outcomes typically going hand in hand with better performance.

We have also leveraged the benefits of digitalisation and standardisation to improve capital efficiency and boost operational excellence. To cite a few examples, we now have sensors that work in the deepest waters, drones that patrol our most distant oil and gas fields and computerised tools that make use of the smallest pieces of data. The possibilities that technology brings are becoming more and more apparent, from the wearable technology of our teams onsite to the data associated with every action and the finely-tuned sensors that yield mighty results.

In our drive to make operational improvements and to maximise the opportunities it brings we work with our suppliers and often ask: is there a standard solution you have that we should be using? We look for something tried and tested, something that could be quickly put to work. That, in part, demonstrates that we have transformed our supply chain: extracting more value, improving our own demand management, simplifying and standardising our specifications, and negotiating lower prices. We drill faster, require less supply vessels and we leverage data to have optimized designs. We're delivering savings across all areas.

Let me move to our financial framework. We are making great progress on transforming the company into a world-class investment case. 2017 was a year of delivery and an important step forward. We have clarity of purpose, we have a differentiated strategy and we are re-shaping the company to align the portfolio to that strategy. This clear direction is being combined with strong performance.

We are pulling key levers to become a world-class investment case. To be successful in our industry requires financial strength. A disciplined approach to financial management is an integral part of the world-class investment case. The pillars of our financial framework have not changed. To remind you these are: firstly, a conservative gearing level consistent with a AA credit rating. Secondly, a dividend policy of growing the US dollar dividend per share through time in line with our view of Shell's underlying earnings and cash flow. Thirdly, the distribution of surplus free cash flow to shareholders in the form of share buybacks. This financial framework is underpinned by a clear commitment to strict capital discipline with a firm ceiling of $30 billion capital investment, even in a high oil price scenario.

In 2017 we generated some $28 billion of free cash flow, of which more than $15 billion was organic free cash flow, to which we added some $12.5 billion net cash proceeds from acquisitions and divestments. In line with our cash priorities, free cash flow was allocated to the service and repayment of our debt, some $16 billion in total in 2017, and the payment of our dividend, some $11 billion cash in total. Gearing was reduced to 24.8% at the end of 2017, down from 28% at the end of 2016. This represents a $8 billion reduction in net debt over the last four quarters.

As expected, divestment proceeds have supported debt reduction. At a headline level, we have now completed around $24 billion of divestments since beginning 2016, announced or signed another $3 billion, and we can confirm that more than $3 billion worth of divestments are well advanced, all at headline level. Since 2016, we have received some $19 billion in cash proceeds from divestments and the MLP with $14 billion received in 2017.

We have clear visibility on bringing gearing to 20% and generating the cash flow to support an AA credit rating. Over time, I expect gearing to move below 20% to ensure robustness of our financial framework. This will build further resilience to the changing macro environment and provide balance sheet strength to prepare us for the future. I would, however, like to emphasise that although divestments have driven debt reduction, the overall strengthening of our financial framework runs much deeper. It is fundamentally about the strength of the underlying cash flows, improved business performance and a disciplined approach to capital investment.

You have already heard about our business performance and our commitment to our financial framework. So, before I wrap up, I want to emphasise where we are on cash flow generation. Because of our strategy and delivery, our ability to generate organic cash flow has grown significantly and we have demonstrated resilience at lower prices. As you have already heard, our cash flow from operations at $54 per barrel is in line with the cash flow from operations we achieved at $99 per barrel a few years ago. In 2017, our organic free cash flow achieved levels in line with our declared dividend. This demonstrates the quality of our portfolio, the strength of our underlying performance and our resilience through the cycle. We are confident that we can continue to grow our organic free cash flow in the years to come, with revenues from new projects coming on stream and further operational and cost efficiencies to be realised.

As Ben has outlined, we expect to generate organic free cash flow of some $25-30 billion around the end of the decade at $60 per barrel, real terms 2016. We have close to $10 billion in cash flow from new projects still to be delivered in the 2018 to 2020 timeframe, growth across our portfolio, and continued cash delivery from operational improvements.

We have made great progress on all fronts. It was this progress and confidence in our financial framework that enabled the Board to cancel the scrip starting with the payment of the fourth quarter 2017 dividend. The scrip was intended as a short-term measure. With the cancellation now behind us and with strong performance and delivery against our commitments, we are entering the next phase in delivering the world-class investment case.

We will maintain our commitment to the financial framework, continue to grow the company and look to increase shareholder distributions over time. We remain committed to our intention to undertake a share buyback programme of at least $25 billion in the period 2017-2020, subject to debt reduction and recovery in oil prices, to offset the shares issued under the scrip dividend programme and over time, to significantly reduce the equity issued in connection with the BG deal – and therefore grow distributions to shareholders. We will also balance buyback levels with meeting our ambition to achieve AA equivalent credit metrics as well as the need to fund growth.

As we move into this next phase, our financial framework remains unchanged. We are as committed today as we were before to ensure we build our financial strength as our industry evolves. We will continue to strengthen our balance sheet, high-grade our portfolio and deliver performance in line with our strategy and purpose. Looking forward to 2018, we remain on track to deliver a wave of new projects, most of these projects are either already on stream and ramping up or are close to completion. In 2018 we expect more from operational excellence but also from simplification, standardisation and digitalisation.

With that, let me hand you back over to Ben.

Thanks Jessica.

Strong Q4 2017 earnings concluded a strong year 2017, we enter 2018 with continued discipline and confidence, committed to the delivery of strong returns and cash. With that, let's go for your questions please.

Please could we have just one or two each, so that everyone has the opportunity to ask a question. Thank you for your questions today.

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Reserves: Our use of the term "reserves" in this presentation means SEC proved oil and gas reserves. Resources: Our use of the term "resources" in this presentation includes quantities of oil and gas not yet classified as SEC proved oil and gas reserves. Resources are consistent with the Society of Petroleum Engineers (SPE) 2P + 2C definitions.

Operating costs are defined as underlying operating expenses, which are operating expenses less identified items. Organic free cash flow is defined as free cash flow excluding inorganic capital investment and divestment proceeds. Clean CCS ROACE (Return on Average Capital Employed) is defined as defined as the sum of CCS earnings attributable to shareholders excluding identified items for the current and previous three quarters, as a percentage of the average capital employed for the same period. Capital employed consists of total equity, current debt and non-current debt. Capital investment comprises capital expenditure, exploration expense excluding well write-offs, new investments in joint ventures and associates, new finance leases and investments in Integrated Gas, Upstream and Downstream securities, all of which on an accruals basis. In 2016, the capital investment was impacted by the acquisition of BG Group plc. Divestments comprises proceeds from sale of property, plant and equipment and businesses, joint ventures and associates, and other Integrated Gas, Upstream and Downstream investments, reported in "Cash flow from investing activities (CFFI)", adjusted onto an accruals basis and for any share consideration received or contingent consideration recognised upon divestment, as well as proceeds from the sale of interests in entities while retaining control (for example, proceeds from sale of interest in Shell Midstream Partners, L.P.), which are included in "Change in non-controlling interest" within "Cash flow from financing activities (CFFF)". This presentation contains the following forward-looking Non-GAAP measures: Organic Free Cash Flow, Free Cash Flow, Capital Investment, CCS Earnings, CCS Earnings less identified items, Gearing, Underlying Operating Expenses, ROACE, Capital Employed and Divestments. We are unable to provide a reconciliation of the above forward-looking Non-GAAP measures to the most comparable GAAP financial measures because certain information needed to reconcile the above Non-GAAP measure to the most comparable GAAP financial measure is dependent on future events some which are outside the control of the company, such as oil and gas prices, interest rates and exchange rates. Moreover, estimating such GAAP measures consistent with the company accounting policies and the required precision necessary to provide a meaningful reconciliation is extremely difficult and could not be accomplished without unreasonable effort. Non-GAAP measures in respect of future periods which cannot be reconciled to the most comparable GAAP financial measure are calculated in a manner which is consistent with the accounting policies applied in Royal Dutch Shell plc's financial statements. The financial measures provided by strategic themes represent a notional allocation of ROACE, capital employed, capital investment, free cash flow, organic free cash flow and underlying operating expenses of Shell's strategic themes. Shell's segment reporting under IFRS 8 remains Integrated Gas, Upstream, Downstream and Corporate.

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this presentation "Shell", "Shell group" and "Royal Dutch Shell" are sometimes used for convenience where references are made to Royal Dutch Shell plc and its subsidiaries in general. Likewise, the words "we", "us" and "our" are also used to refer to subsidiaries in general or to those who work for them. These expressions are also used where no useful purpose is served by identifying the particular company or companies. ''Subsidiaries'', "Shell subsidiaries" and "Shell companies" as used in this presentation refer to companies over which Royal Dutch Shell plc either directly or indirectly has control. Entities and unincorporated arrangements over which Shell has joint control are generally referred to "joint ventures" and "joint operations" respectively. Entities over which Shell has significant influence but neither control nor joint control are referred to as "associates". The term "Shell interest" is used for convenience to indicate the direct and/or indirect ownership interest held by Shell in a venture, partnership or company, after exclusion of all third-party interest.

This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of Royal Dutch Shell. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Royal Dutch Shell to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as ''anticipate'', ''believe'', ''could'', ''estimate'', ''expect'', ''goals'', ''intend'', ''may'', ''objectives'', ''outlook'', ''plan'', ''probably'', ''project'', ''risks'', "schedule", ''seek'', ''should'', ''target'', ''will'' and similar terms and phrases. There are a number of factors that could affect the future operations of Royal Dutch Shell and could cause those results to differ materially from those expressed in the forward-looking statements included in this presentation, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for Shell's products; (c) currency fluctuations; (d) drilling and production results; (e) reserves estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including regulatory measures addressing climate change; (k) economic and financial market conditions in various countries and regions; (l) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; and (m) changes in trading conditions. No assurance is provided that future dividend payments will match or exceed previous dividend payments. All forward-looking statements contained in this presentation are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. Additional risk factors that may affect future results are contained in Royal Dutch Shell's 20-F for the year ended December 31, 2016 (available at www.shell.com/investor and www.sec.gov). These risk factors also expressly qualify all forward looking statements contained in this presentation and should be considered by the reader. Each forward-looking statement speaks only as of the date of this presentation, February 1, 2018. Neither Royal Dutch Shell plc nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this presentation. This presentation may contain references to Shell's website. These references are for the readers' convenience only. Shell is not incorporating by reference any information posted on www.shell.com. We may have used certain terms, such as resources, in this presentation that United States Securities and Exchange Commission (SEC) strictly prohibits us from including in our filings with the SEC. U.S. Investors are urged to consider closely the disclosure in our Form 20-F, File No 1-32575, available on the SEC website www.sec.gov.