

The unification of



**N.V. Koninklijke Nederlandsche Petroleum Maatschappij
(Royal Dutch Petroleum Company)**

and

The “Shell” Transport and Trading Company, p.l.c.

under a single parent company



Royal Dutch Shell plc

Luxembourg Supplement

to

Royal Dutch Offer Document

and

Listing Particulars

19 May 2005



This Luxembourg Supplement dated 19 May 2005 (the “**Luxembourg Supplement**”) is supplement to and must be read together with the offer document dated 19 May 2005 (the “**Royal Dutch Offer Document**”) concerning the exchange offer for all outstanding ordinary shares in the capital of Royal Dutch Petroleum Company (N.V. Koninklijke Nederlandsche Petroleum Maatschappij) (“**Royal Dutch**”) by Royal Dutch Shell plc (“**Royal Dutch Shell**”) as part of the unification of Royal Dutch and The “Shell” Transport and Trading Company, p.l.c. (“**Shell Transport**”) and to the listing particulars in respect of the introduction by Royal Dutch Shell of its “A” Shares and “B” Shares to the Official List of the UK Listing Authority and to trading on the Market for Listed Securities of the London Stock Exchange and to Eurolist by Euronext Amsterdam dated 19 May 2005 (the “**Listing Particulars**”).

All terms defined in the Royal Dutch Offer Document and the Listing Particulars shall have the same meaning when used herein, unless stated otherwise.

Royal Dutch Shell accepts responsibility for the information contained in this Luxembourg Supplement. Responsibility for the information contained in the Royal Dutch Offer Document and the Listing Particulars is taken as described therein.

This Luxembourg Supplement has been prepared solely for distribution in Luxembourg and its distribution in any other jurisdiction has not been authorised by Royal Dutch Shell, Royal Dutch or Shell Transport.

THE ROYAL DUTCH OFFER

The Transaction

On 28 October 2004, Royal Dutch Boards and the Shell Transport Board announced that they had unanimously agreed, in principle, to propose to shareholders the unification of Royal Dutch and Shell Transport under a single parent company, Royal Dutch Shell, a company incorporated in England and Wales and headquartered and resident in The Netherlands for UK and Dutch tax purposes.

The Transaction is to be effected (i) by way of an exchange offer by Royal Dutch Shell for all Royal Dutch Shares (the “**Royal Dutch Offer**”) and (ii) by way of a scheme of arrangement of Shell Transport under section 425 of the Companies Act of England and Wales 1985.

In the Grand Duchy of Luxembourg, Royal Dutch Shell will make the Royal Dutch Offer, subject to the conditions and restrictions described in (i) the Royal Dutch Offer Document, (ii) the Listing Particulars and (iii) this Luxembourg Supplement (together the “**Offer Documents**”), for all issued and outstanding ordinary shares in the share capital of Royal Dutch.

The Royal Dutch Board of Management and the Royal Dutch Supervisory Board each unanimously recommend that holders of Royal Dutch Shares accept the Royal Dutch Offer.

The legal notice required by Article 33 of the law of 10 August 1915 concerning commercial companies, as amended, has been filed by with the Register of commerce and companies of Luxembourg on 19 May 2005.

The Royal Dutch Offer

Under the terms of the Royal Dutch Offer, holders of Royal Dutch Shares will each receive respectively:

- for each Royal Dutch Bearer Share or Royal Dutch Hague Registered Share tendered:
2 “A” Shares.
- for each Royal Dutch New York Registered Share tendered:
1 “A” ADR (each representing two “A” Shares).

Royal Dutch Offer Acceptance Period

The Royal Dutch Offer Acceptance Period begins on 20 May 2005 and ends, subject to extension, on 18 July 2005 (11:00 p.m. Amsterdam time).

Acceptance

(i) *Holders of Royal Dutch Bearer Shares*

Holders of Royal Dutch Bearer Shares who hold their Royal Dutch Bearer Shares with a bank or stockbroker should make their acceptance of the Royal Dutch Offer known to ABN AMRO via their respective bank or stockbroker during the period beginning on 20 May 2005 until 18 July 2005, 11:00 p.m. Amsterdam time, subject to extension of the Royal Dutch Offer Acceptance Period. The bank or stockbroker may set an earlier deadline for communication by holders of Royal Dutch Bearer Shares in order to permit the bank or stockbroker to communicate their acceptances to ABN AMRO in a timely manner.

Holders of Royal Dutch Bearer Shares represented by already issued share certificates to bearer provided with separate dividend coupons (*K-stukken*) should note that, in accordance with the Royal Dutch Articles such certificates have been abolished. If such holders wish to tender these Royal Dutch Bearer Shares they should make their acceptance known by transferring their certificates via their bank or stockbroker to ABN AMRO during the period beginning on 20 May 2005 until 18 July 2005, 11:00 p.m. Amsterdam time, subject to extension of the Royal Dutch Offer Acceptance Period. The bank or stockbroker may set an earlier deadline for communication by holders of Royal Dutch Bearer Shares in order to permit the bank or stockbroker to communicate their acceptance to ABN AMRO in a timely manner.

(ii) Holders of Royal Dutch Hague Registered Shares

Holders of Royal Dutch Hague Registered Shares will receive by post information regarding the Transaction and an application form to make their acceptance of the Royal Dutch Offer known. The application form should be completed, signed and returned by mail so as to reach N.V. Algemeen Nederlands Trustkantoor ANT at PO Box 11063, 1001 GB Amsterdam by no later than 11:00 p.m. Amsterdam time on 18 July 2005, subject to extension of the Royal Dutch Offer Acceptance Period. The signed application form will constitute the legal deed of transfer.

Admitted Institutions

The institutions (i) which hold Royal Dutch Bearer Shares on behalf of their clients through Euroclear Nederland as an admitted institution of Euroclear Nederland or (ii) which hold Royal Dutch Bearer Shares on behalf of their clients through an institution which is an admitted institution of Euroclear Nederland (the “Admitted Institutions”) may only make their applications to accept the Royal Dutch Offer in writing to ABN AMRO marked to the attention of “Issuing Institutions — Corporate Actions MF 2020” Kemelstede 2, 4817 ST Breda, The Netherlands, fax +31 76 5799620 by no later than 11:00 p.m. Amsterdam time on 18 July 2005, subject to extension of the Royal Dutch Offer Acceptance Period.

By making their application, which must be in writing, the Admitted Institutions declare that (i) they hold the tendered Royal Dutch Bearer Shares in their administration, (ii) they will deliver the tendered Royal Dutch Bearer Shares to ABN AMRO (securities account 41.46.27.334/Euroclear account ISS2) prior to the expiration of the Royal Dutch Offer Acceptance Period and (iii) each shareholder who accepts the Royal Dutch Offer irrevocably represents and warrants that the Royal Dutch Shares tendered by him are being tendered in compliance with the restriction set out in paragraph 1.2 of Part 2 of the Royal Dutch Offer Document. Admitted Institutions that are not able to deliver the tendered securities to ABN AMRO prior to 11:00 p.m. Amsterdam time on 18 July 2005, should give to ABN AMRO a written notice of guaranteed delivery for the Royal Dutch Bearer Shares tendered, which are not immediately available for delivery, in which the Admitted Institutions unconditionally undertake to deliver such securities to ABN AMRO, as exchange agent, by no later than 11:00 a.m. Amsterdam time on the third Euronext Amsterdam Trading Day following the last day of the Royal Dutch Offer Acceptance Period. Any such notice of guaranteed delivery should be received by ABN AMRO by no later than 11:00 p.m. Amsterdam time on 18 July 2005 (subject to extension of the Royal Dutch Offer Acceptance Period).

TAXATION

The following is a summary of the principal Luxembourg tax consequences arising for Luxembourg resident holders from the exchange of Royal Dutch Shares for Royal Dutch Shell Shares and of the ownership and disposal of Royal Dutch Shell Shares received pursuant to the Royal Dutch Offer. This summary is based upon Luxembourg tax law and regulations in effect on the date of the Luxembourg Supplement. It is subject to any subsequent change in Luxembourg law and regulations. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a holder of the Royal Dutch Shares or of Royal Dutch Shell Shares received pursuant to the Royal Dutch Offer. Investors should consult with their tax advisors with regard to the tax consequences of the Royal Dutch Offer and the ownership and disposal of Royal Dutch Shell Shares in their particular circumstances.

Tax regime applicable to capital gains realised by resident shareholders upon the tender of Royal Dutch Shares

(i) Individuals

The capital gains realised by an individual upon the exchange of Royal Dutch Shares held in his/her private estate will not be subject to Luxembourg taxation including where the Royal Dutch Shares tendered have been held for six months or less at the time of tender. Where the Royal Dutch Shares are part of an individual’s business assets, no capital gains will be deemed to be realised as a result of the exchange under the Royal Dutch Offer. In each such case the acquisition date and price of the Royal Dutch Shell Shares received in exchange shall be deemed to be the acquisition date and price of the Royal Dutch Shares tendered. Investors can nevertheless elect to recognise the capital gains realised upon the exchange of Royal Dutch Shares in those circumstances.

(ii) Capital companies (sociétés de capitaux)

No capital gains will be deemed to be realised upon the exchange of Royal Dutch Shares by a resident capital company which is subject to corporate income tax. In such case the acquisition date and price of the Royal Dutch Shell Shares received in exchange shall be deemed to be the acquisition date and price of the Royal Dutch Shares tendered. Capital companies can nevertheless elect to recognise the capital gains realised upon the exchange of Royal Dutch Shares in those circumstances. In addition, the capital gains realised by resident capital companies subject to corporate income tax will be exempted in case the substantial participation exemption under the grand-ducal regulation of 21st December 2001 executing Article 166, paragraph 9 L.I.R applies. That exemption will be subject to a number of conditions *inter alia* that the Royal Dutch Shares represent an acquisition price of at least EUR 6 million. The scope of the substantial participation exemption can be limited in the cases provided by the grand-ducal regulation of 21st December 2001 executing Article 166, paragraph 9 L.I.R.

Dividends paid on shares in Royal Dutch Shell

Under the Tax Treaty of 8 May 1968 between Luxembourg and the Netherlands, dividends payable by Dutch tax resident companies to Luxembourg residents are generally subject to a withholding tax equal to 15% of the gross dividends.

(i) Individuals:

The gross amount of dividends paid by Royal Dutch Shell to shareholders who are individuals will have to be included in their taxable income provided that half of such dividends will be exempt from tax.

In principle, the tax withheld at source in the Netherlands may be totally or partially deducted from the amount of income tax payable in Luxembourg on account of such dividends.

(ii) Capital companies (sociétés de capitaux)

The gross amount of the dividends paid by Royal Dutch Shell to a resident capital company which is subject to corporate income tax will have to be included in the taxable profit of such company provided that half of such dividend will be exempt from tax.

However, such dividends will be fully exempted in case the substantial participation exemption under article 166 L.I.R. applies. That exemption will be subject to a number of conditions *inter alia* that the Royal Dutch Shell Shares represent an acquisition price of at least EUR 1,200,000.

If the substantial participation exemption does not apply, tax withheld at source in the Netherlands may in principle be totally or partially deducted from the amount of income tax payable in Luxembourg on account of such dividends.

Tax regime applicable to capital gains realised by resident shareholders upon the sale of Royal Dutch Shell Shares

(i) Individuals

The capital gains realised by an individual upon the sale of Royal Dutch Shell Shares will not be subject to Luxembourg taxation unless the Royal Dutch Shell Shares are sold before their acquisition or the sale occurs within the six months which follow their acquisition or where the Royal Dutch Shell Shares are part of such investor's business assets.

(ii) Capital companies (sociétés de capitaux)

Capital gains realised upon the sale of shares by a resident capital company which is subject to corporate income tax will in principle be fully taxable. However, the capital gains realised by resident capital companies subject to corporate income tax will be exempted in case the substantial participation exemption under the grand-ducal regulation of 21st December 2001 executing Article 166, paragraph 9 L.I.R applies. That exemption will be subject to a number of conditions *inter alia* that the shares in Royal Dutch Shell represent an acquisition price of at least EUR 6 million. The scope of the substantial participation exemption can be limited in the cases provided by the grand-ducal regulation of 21st December 2001 executing Article 166, paragraph 9 L.I.R.

Registration taxes

No Luxembourg registration tax or similar tax will be payable by a shareholder upon the exchange of Royal Dutch Shares.

LUXEMBOURG LOCAL AGENT

ABN AMRO (Luxembourg) S.A. with offices at 46, avenue J.-F. Kennedy, L-1855 Luxembourg-Kirchberg has been appointed as local agent in Luxembourg (the “Luxembourg Local Agent”).

Information can be obtained at the office of the Luxembourg Local Agent or by calling + 800 2222 0024.

AVAILABILITY OF INFORMATION IN LUXEMBOURG

The following documents may be obtained, free of charge, at the office of the Luxembourg Local Agent during normal business hours:

1. the Royal Dutch Offer Document;
2. the Listing Particulars;
3. the Luxembourg Supplement;
4. the documents incorporated by reference in the Offer Documents;
5. a copy of the legal notice and of the other documents filed with the Luxembourg Registrar of commerce and companies.

NOTICES

Notices in relation to the Royal Dutch Offer will in Luxembourg be published in a Luxembourg daily newspaper of general circulation (which is expected to be the Wort).