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JOINT ANNOUNCEMENT BY N.V. KONINKLIJKE NEDERLANDSCHE PETROLEUM MAATSCHAPPIJ (“ROYAL DUTCH”), THE “SHELL” TRANSPORT AND TRADING COMPANY, PUBLIC LIMITED COMPANY (“SHELL TRANSPORT”) AND ROYAL DUTCH SHELL PLC (“ROYAL DUTCH SHELL”)

ANNOUNCEMENT OF FINAL PROPOSALS FOR THE RECOMMENDED UNIFICATION OF ROYAL DUTCH AND SHELL TRANSPORT

Summary

- Today, the Royal Dutch Boards, the Shell Transport Board and the Royal Dutch Shell Board are announcing final proposals for the recommended unification of Royal Dutch and Shell Transport under a single parent company, Royal Dutch Shell, which was initially announced on 28 October 2004.
- Full documentation containing further details of the Transaction will be made available to shareholders today. Shareholders are encouraged to refer to this detailed documentation and are urged to take the action described therein to support the proposals.
- Implementation of the Transaction will be subject to approval by the shareholders of Royal Dutch and Shell Transport as well as other conditions set out in Appendix 1 to this announcement. The approval of Royal Dutch Shareholders will be sought at the Royal Dutch annual general meeting on 28 June 2005 while the approval of Shell Transport Shareholders will be sought at meetings following the Shell Transport annual general meeting, also on 28 June 2005.
- It is expected that Completion will take place, and that trading in Royal Dutch Shell Shares will commence, on 20 July 2005.

Background to and reasons for the Transaction

- On 28 October 2004, the Royal Dutch Boards and the Shell Transport Board announced that they had unanimously agreed to propose to their shareholders the unification of Royal Dutch and Shell Transport under a single parent company, Royal Dutch Shell.
- The Transaction will result in one parent company, with one board, one Chairman and one Chief Executive.
- The Boards of Royal Dutch and Shell Transport believe that implementation of the Transaction together with the governance proposals announced on 28 October 2004 will deliver significant benefits, including: increased clarity and simplicity of governance; increased management efficiency; increased accountability; and flexibility in issuing equity and debt.

The Transaction

- The Transaction will be effected: (i) by way of an exchange offer by Royal Dutch Shell for the Royal Dutch Shares; and (ii) by way of a scheme of arrangement of Shell Transport under section 425 of the Companies Act.
- The terms of the Transaction reflect the current “60:40” ownership of the Royal Dutch/Shell Group by Royal Dutch and Shell Transport. The terms seek to ensure that investors in Royal Dutch and Shell Transport are offered Royal Dutch Shell Shares or Royal Dutch Shell ADRs representing the equivalent economic interest in the RDS Group on implementation of the Transaction as their existing shares or ADRs represent in the Royal Dutch/Shell Group.
- To facilitate the preservation of the current tax treatment of dividends for shareholders, Royal Dutch Shell will have two classes of ordinary shares, “A” Shares and “B” Shares.
- Royal Dutch Shareholders are being offered “A” Shares under the Royal Dutch Offer, with the exception of holders of Royal Dutch New York Registered Shares who are being offered “A” ADRs. Shell Transport Ordinary Shareholders are being offered “B” Shares under the Scheme and holders of Shell Transport ADRs are being offered “B” ADRs.
- Under the terms of the Transaction, shareholders will 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
for each Shell Transport Ordinary Share:	0.287333066 “B” Shares
for each Shell Transport ADR:	0.861999198 “B” ADR
- Royal Dutch Shell has applied for its shares to be listed and admitted to trading in London and Amsterdam. Royal Dutch Shell ADRs will be listed on the New York Stock Exchange.

Dividends

- The “A” Shares and the “B” Shares will have identical rights except for the Dividend Access Mechanism by which dividends having a UK source are intended to be paid to holders of “B” Shares.
- In setting the level of the dividend, the Royal Dutch Shell Board 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 31 December 2004.
- Royal Dutch Shell will pay dividends on a quarterly basis and declare its dividends in euro. Dividends declared on the “A” Shares will be paid in euro, although holders of “A” Shares will be able to elect to receive dividends in Pounds Sterling.

Dividends declared on the “B” Shares will be paid in Pounds Sterling, although holders of “B” Shares will be able to elect to receive dividends in euro. Holders of “A” ADRs and “B” ADRs will receive dividend payments in US Dollars.

- The Pounds Sterling and US Dollar amounts that will be paid to investors in Royal Dutch Shell who receive dividends in those currencies will be announced at the same time as the declaration of the dividend in euro.

Buy backs

- Royal Dutch Shell intends to continue the US\$3 billion to US\$5 billion share buy back programme for 2005 announced by Royal Dutch and Shell Transport on 3 February 2005.
- Royal Dutch Shell expects to buy back “A” Shares in preference to “B” Shares considering, amongst other factors, the prevailing market prices and relative tax treatment of buy backs of “A” Shares and “B” Shares.

Jeroen van der Veer, Chief Executive, said today: “We have been encouraged by the widespread support of shareholders since the unification proposals were initially announced in October last year. We look forward to our shareholders formally voting on the final proposals on 28 June 2005 in The Hague and London. In publishing the full documentation today, we remain firmly on track for the completion of the Transaction in July.”

This summary should be read in conjunction with the full text of this announcement. Please refer to the legal notices at the end of the full text of this announcement.

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Private Investor Call Centres

UK Call Centre: Freephone 0800 169 1679 (+44 1903 276323 from outside the UK) Monday to Friday 8:30 a.m. to 5:30 p.m., London time

US Call Centres:

Holders of Royal Dutch New York Registered Shares: Within the US call toll free (877) 278 4235, outside of the US call +1 212 440 9800 Monday to Friday 9.00 a.m. to 11.00 p.m., New York time

Holders of Shell Transport ADRs: Within the US call toll free (877) 278 6357, outside of the US call +1 212 440 9800 Monday to Friday 9.00 a.m. to 11.00 p.m., New York time

Citigroup Global Markets Limited (“**Citigroup**”), which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as sponsor, co-listing agent and financial adviser to Royal Dutch Shell and as financial adviser to Royal Dutch and Shell Transport and no one else in connection with the Transaction and the Introduction and will not be responsible under the provisions of FSMA or any regulations made thereunder to anyone other than Royal Dutch Shell, Royal Dutch or Shell Transport for providing the protections afforded to clients of Citigroup, or for providing advice in relation to the Transaction and the Introduction.

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Deutsche Bank AG London (“**Deutsche Bank**”), which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for Shell Transport and no one else in connection with the Transaction and will not be responsible under the provisions of FSMA or any regulations made thereunder to anyone other than Shell Transport for providing the protections afforded to clients of Deutsche Bank, or for providing advice in relation to the Transaction.

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This announcement contains forward-looking statements that are subject to risk factors. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a variety of variables which could cause actual results or trends to differ materially, including, but not limited to: the failure of the conditions to the Scheme and the Royal Dutch Offer being satisfied (including the failure of Royal Dutch shareholders to approve entering into by Royal Dutch of the Implementation Agreement and the failure of Shell Transport shareholders to approve the Scheme); the costs related to the Transaction; the failure of the Transaction to achieve the expected benefits; changes in dividend policy; the development of the trading market in Royal Dutch Shell Shares; tax treatment of dividends paid to shareholders; the accounting implications of the Transaction; and other factors affecting the Royal Dutch Shell Group of companies’ businesses generally, including, but not limited to, price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, risks associated with the identification of suitable potential acquisition properties and targets and the successful negotiation and consummation of transactions, the risk of doing business in developing countries, legislative, fiscal and regulatory developments including potential litigation and regulatory effects arising from recategorisation of reserves, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

The Royal Dutch Offer and the Scheme are not being made and will not be made, directly or indirectly, in or into or by the use of the mails or any other means or instrumentality (including, without limitation, facsimile transmission, telex, telephone or internet) of interstate or foreign commerce of, or any such facilities of a national securities exchange of, Japan, and are not being and will not be capable of acceptance by any such use, means, instrumentality or facilities from or within Japan. The Royal Dutch Offer and the Scheme are not being made to residents of Japan or in Japan. This announcement and other documents related to the Transaction must not be electronically provided to, nor accessed by, residents of Japan or persons who are in Japan. Copies of this announcement and any other documents related to the Transaction are not being, and must not be, mailed or otherwise distributed or sent to any person or company in or from Japan. Persons receiving this announcement (including custodians, nominees and trustees) or other documents related to the Transaction must not distribute or send them to any person or company in or from Japan.

The Royal Dutch Offer and the Scheme have not been and will not be notified to the Commissione Nazionale per le Società e la Borsa pursuant to applicable Italian securities laws and implementing regulations. Absent such notification, no public offer can be carried out in the Republic of Italy. This announcement and other documents relating to the Transaction have not been, and cannot be, disclosed to any Italian residents or person or entity in the Republic of Italy and no other form of solicitation has been, will be or can be, carried out in the Republic of Italy. This announcement and any document relating to the Transaction may not be mailed, distributed, disseminated or otherwise disclosed to any Italian residents or person or entities in the Republic of Italy.

The distribution of this announcement in jurisdictions other than The Netherlands, England or the US may be affected by the laws of the relevant jurisdiction. Interested persons should inform themselves about and observe all applicable requirements.

This announcement does not constitute an offer to purchase nor the solicitation of an offer to sell any securities of Royal Dutch or Shell Transport. The Shell Transport shareholders are urged to read the scheme document and listing particulars and the Royal Dutch shareholders are urged to read the offer document and the prospectus because they contain important information that shareholders should consider before making any decision regarding the Transaction. The scheme document, the offer document and the listing particulars/prospectus are expected to be available from the date of this announcement.

Holders of ordinary shares of Royal Dutch are urged to carefully review the registration statement on Form F-4 (including the prospectus) and other documents relating to the Royal Dutch Offer that have been or will be filed with, or furnished to, the SEC by Royal Dutch Shell and the related solicitation/recommendation statement on Schedule 14D-9 that has been or will be filed with the SEC by Royal Dutch and, as the case may be, the Royal Dutch offer document and the prospectus which have been filed with, or furnished to, Euronext Amsterdam and the AFM by Royal Dutch Shell, regarding the Royal Dutch Offer, because each of these documents will contain important information relating to the Royal Dutch Offer. A free copy of any of these documents filed with the SEC (once filed) and other documents made public or filed with, or furnished to, the SEC by Royal Dutch Shell, Royal Dutch and Shell Transport can be obtained at the SEC’s website at www.sec.gov. These

documents may also be obtained at the Royal Dutch Shell website at www.shell.com/unification or free of charge by contacting Investor Relations, Shell International B.V., FSK, PO Box 162, 2501 AN The Hague, The Netherlands.

All investment is subject to risk. The value of the Royal Dutch Shell shares may go down as well as up. Past performance is no guarantee for future returns. Investors of Royal Dutch and Shell Transport are advised to seek expert financial advice before making any decisions as regards the Royal Dutch Offer or the Scheme.

Under the provisions of Rule 8.3 of the City Code, any person who, alone or acting together with any person(s) pursuant to an agreement or understanding (whether formal or informal) to acquire or control securities of Shell Transport, owns or controls, or becomes the owner or controller, directly or indirectly, of one per cent. or more of any class of securities of Shell Transport is required to disclose by not later than 12.00 noon (London time) on the business day following the date of the relevant transaction, every dealing in any relevant securities of that company (or in any option in respect of, or derivative referenced to, any such securities) during the period to the date on which the Scheme becomes effective or is withdrawn.

Under the provisions of Rule 8.1 of the City Code, any such dealings by Royal Dutch Shell, Royal Dutch or Shell Transport or by any of their respective “associates” (within the meaning of the City Code) must also be disclosed.