

***Royal Dutch / Shell Group of Companies  
Q2 2004 results presentation***



29 July 2004



## **Disclaimer statement**

The following presentation contains forward-looking statements as defined in section 102 of the Private Securities Litigation Reform Act of 1995, that are subject to risk factors associated with the oil, gas, power, chemicals and renewables business. It is believed that the expectations reflected in these statements are reasonable, but may be effected by a variety of variables which could cause actual results or trends to differ materially, 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, 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.

## **Cautionary Note to US Investors:**

The United States Securities and Exchange Commission ('SEC') permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions.

# Overall performance – 2004 v. 2003



Half year \$ billion	Change %		Quarter 2 \$ billion	Change %
8.7	+7	Net income	4.0	+54
8.1	-5	CCS Earnings	3.8	+16
12.6	+4	Cash from operations	4.8	-11
2.0	-14	Divestments	0.3	+40
6.3	-3	Capital investment	3.4	-1
		Return on average capital employed	15.5%	2003 17.1%

# Mixed results –2004 v. 2003 (CCS earnings)

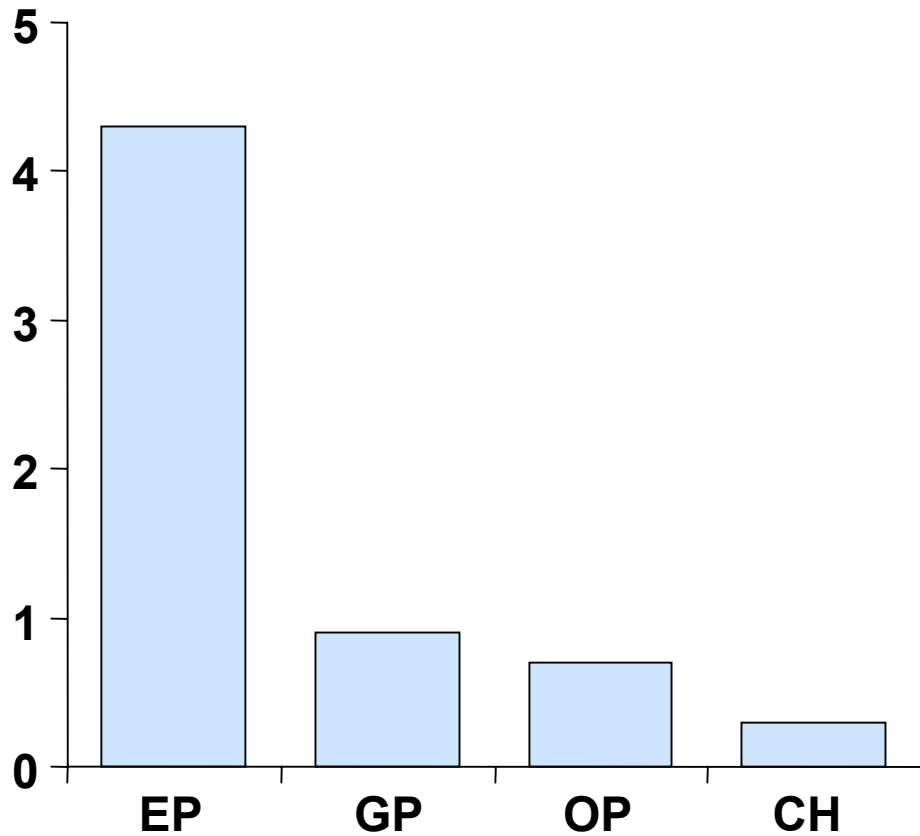


Half year \$ billion	Change %		Q2 2004 \$ billion	Change %
4.7	-7	Exploration & Production	1.9	-3
0.9	-56	Gas & Power	0.3	-25
2.7	+32	Oil Products	1.6	+59
0.6	+381	Chemicals	0.4	+508

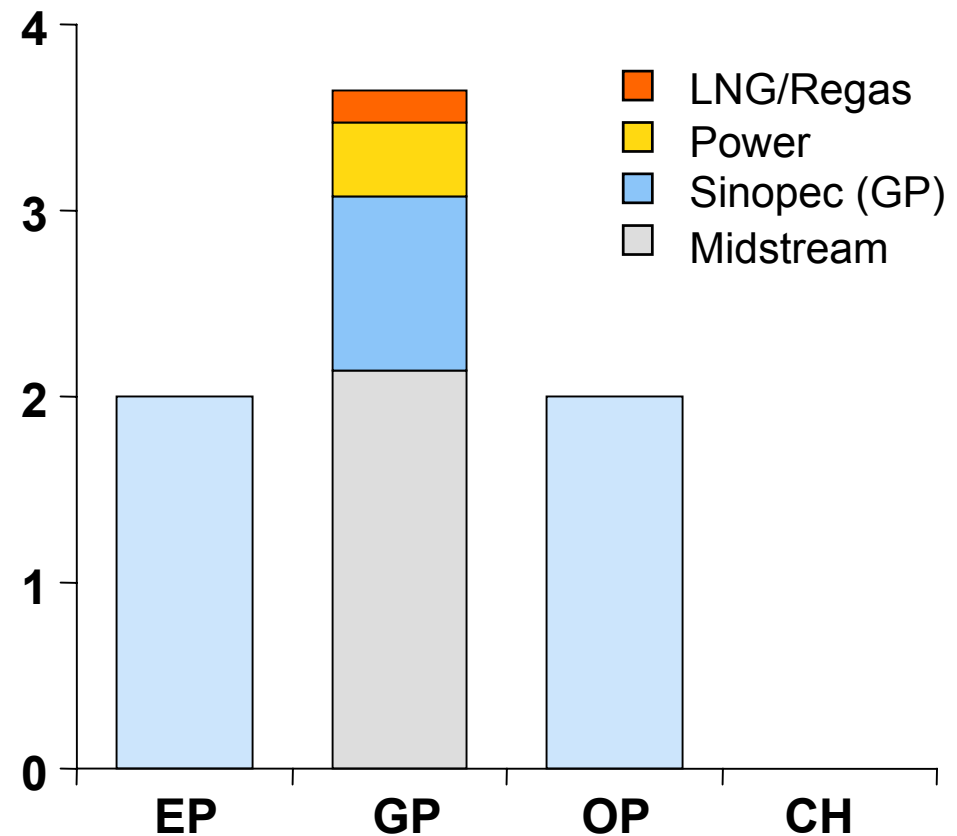
# More upstream, profitable downstream



H1 Capital Investment \$6.3 billion  
\$bln

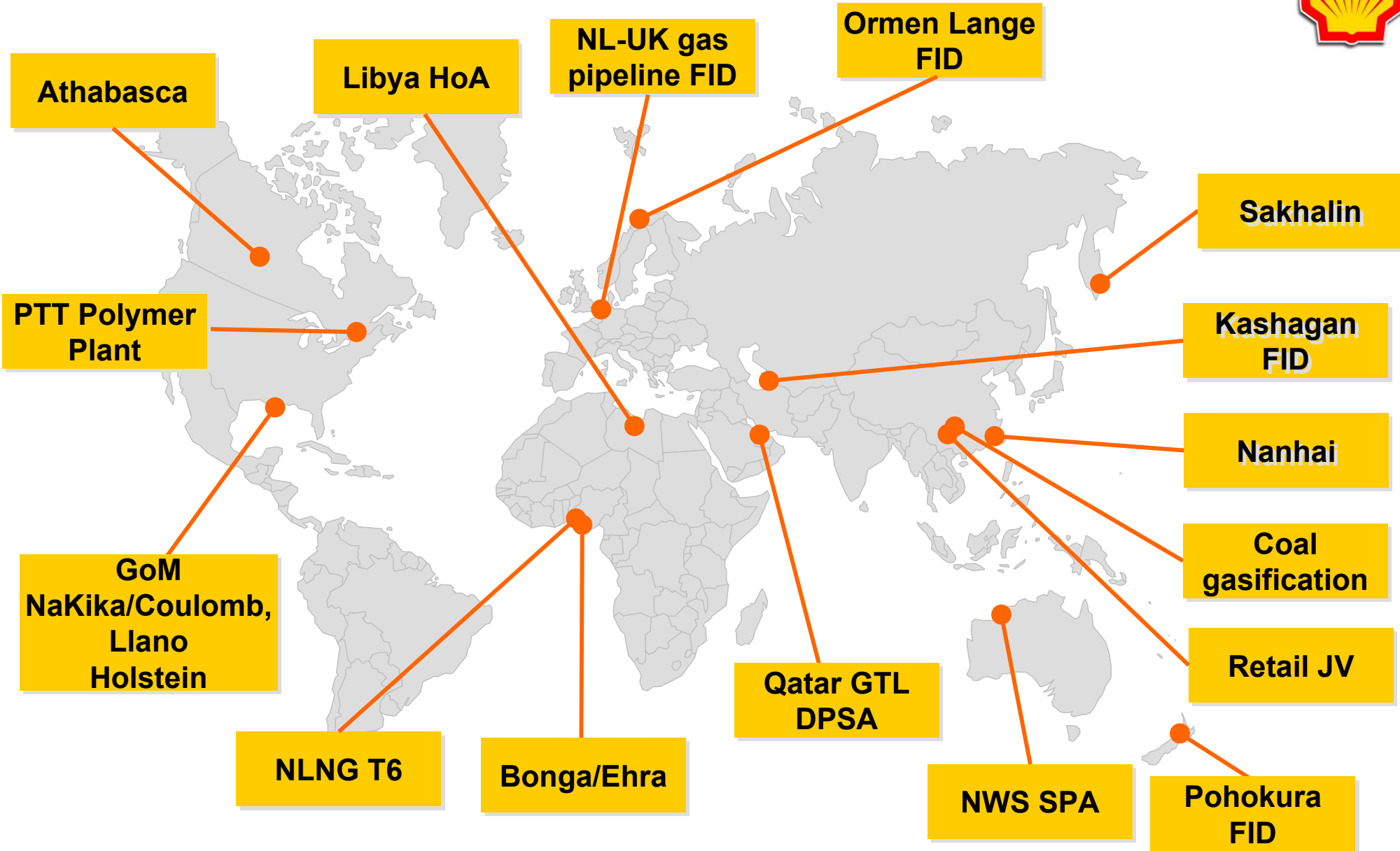


H1 Divestment proceeds to  
business capital employed  
%



**Shaping the portfolio**

# Growing the business

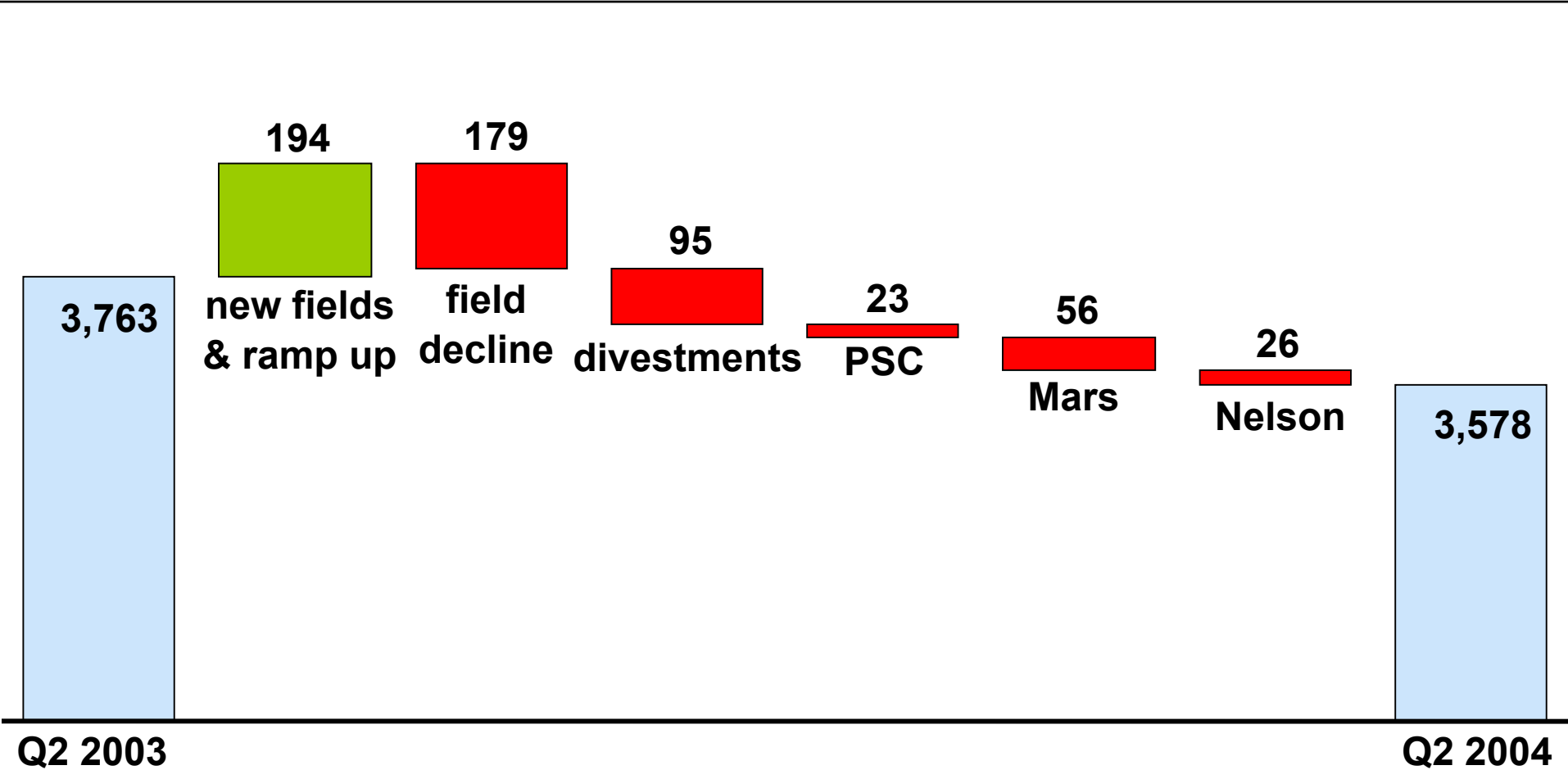


# Production – growth offset by decline/divestments



## Q2 production overview

thousand boe/d





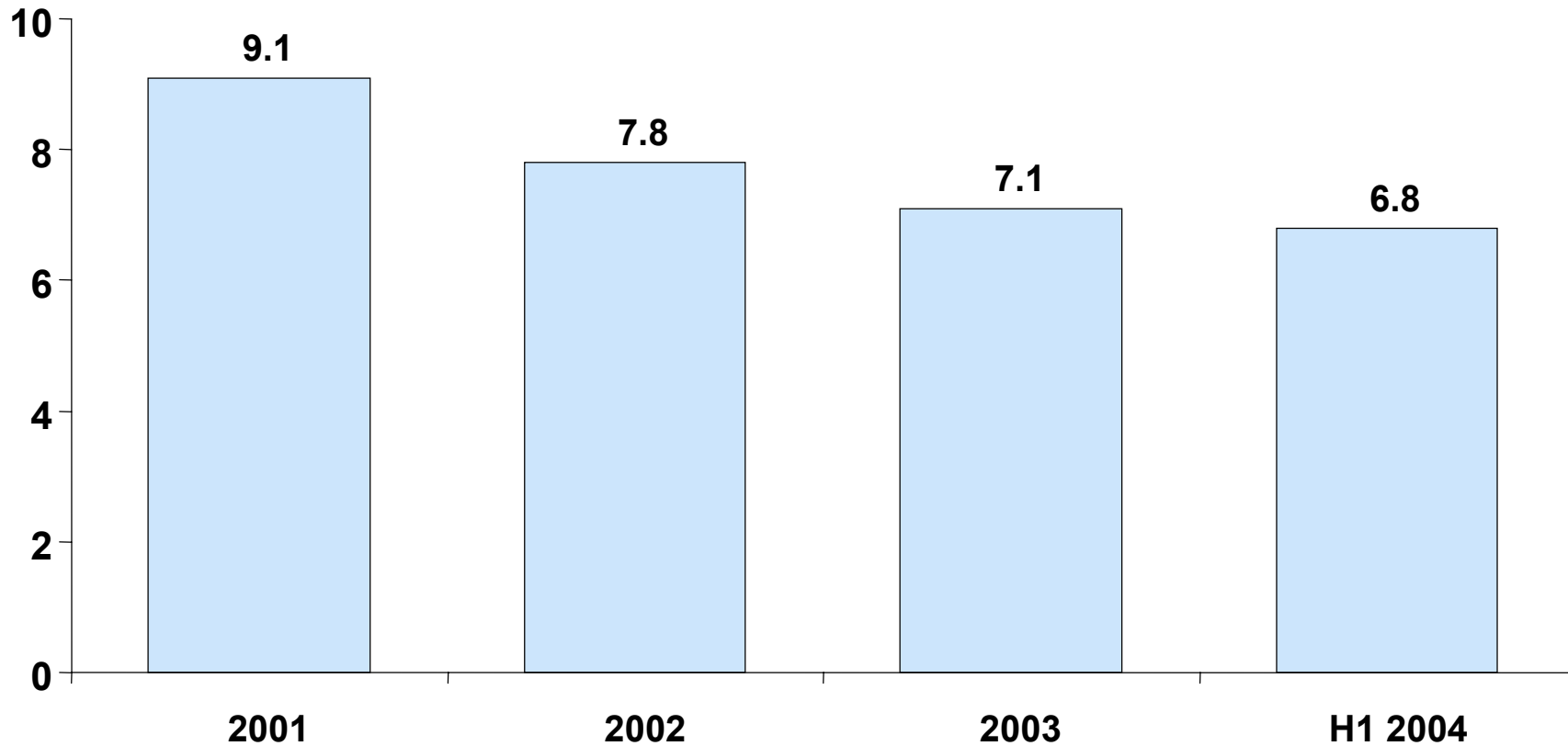
- Operational excellence
- Rationalise portfolio
- Exploration and new business development
- Project delivery
- Competitive cost structure

# US operational improvement



**Average unplanned  
slowdowns/downtime; % UEDC**

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UEDC = Utilization of equivalent distillation capacity



- Focusing on operations and project delivery
- Shaping the portfolio
- Behaviours/culture
- Progressing structure/governance



- Review progressing apace
- Ongoing discussions with investors
- Financial & legal advisors appointed
- Options presented in November
- Non-executive chairman ST&T/Conference
- Abolition of Royal Dutch priority shares



- Dealing with the reserves issue
- Focused on the business
- Good progress with culture and governance