ROYAL DUTCH SHELL PLC
INVESTOR UPDATE

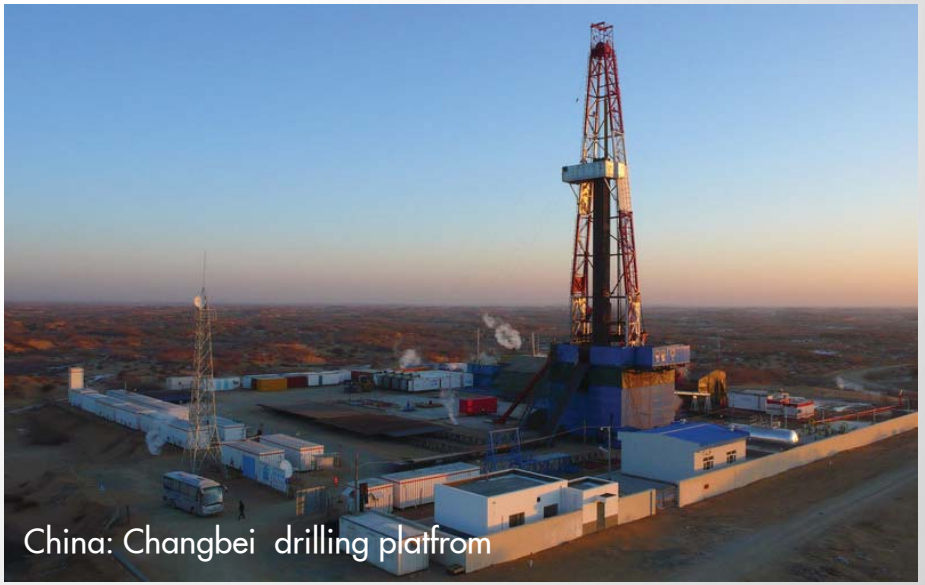
LONDON
NOVEMBER 14, 2012

SHELL: INDUSTRY LEADER IN NATURAL GAS

LNG transport


Malaysia: E11 platform supplying gas to Bintulu LNG/GTL plants


Qatar: Pearl GTL


China: Changbei drilling platfrom

ROYAL DUTCH SHELL PLC
LEADERSHIP IN GLOBAL GAS

PETER VOSER
CHIEF EXECUTIVE OFFICER

DEFINITIONS AND CAUTIONARY NOTE

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate 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 in which Royal Dutch Shell either directly or indirectly has control, by having either a majority of the voting rights or the right to exercise a controlling influence. The companies in which Shell has significant influence but not control are referred to as "associated companies" or "associates" and companies in which Shell has joint control are referred to as "jointly controlled entities". In this presentation, associates and jointly controlled entities are also referred to as "equity-accounted investments". The term "Shell interest" is used for convenience to indicate the direct and/or indirect (for example, through our 23% shareholding in Woodside Petroleum Ltd.) 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'', ''intend'', ''may'', ''plan'', ''objectives'', ''outlook'', ''probably'', ''project'', ''will'', ''seek'', ''target'', ''risks'', ''goals'', ''should'' 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 potential litigation and regulatory measures as a result of climate changes; (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. 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 factors that may affect future results are contained in Royal Dutch Shell's 20-F for the year ended 31 December, 2011 (available at www.shell.com/investor and www.sec.gov). These factors also should be considered by the reader. Each forward-looking statement speaks only as of the date of this presentation, 14 November 2012. Neither Royal Dutch Shell 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. There can be no assurance that dividend payments will match or exceed those set out in this presentation in the future, or that they will be made at all.

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PROGRAMME TODAY

Gas markets & Shell integrated gas strategy

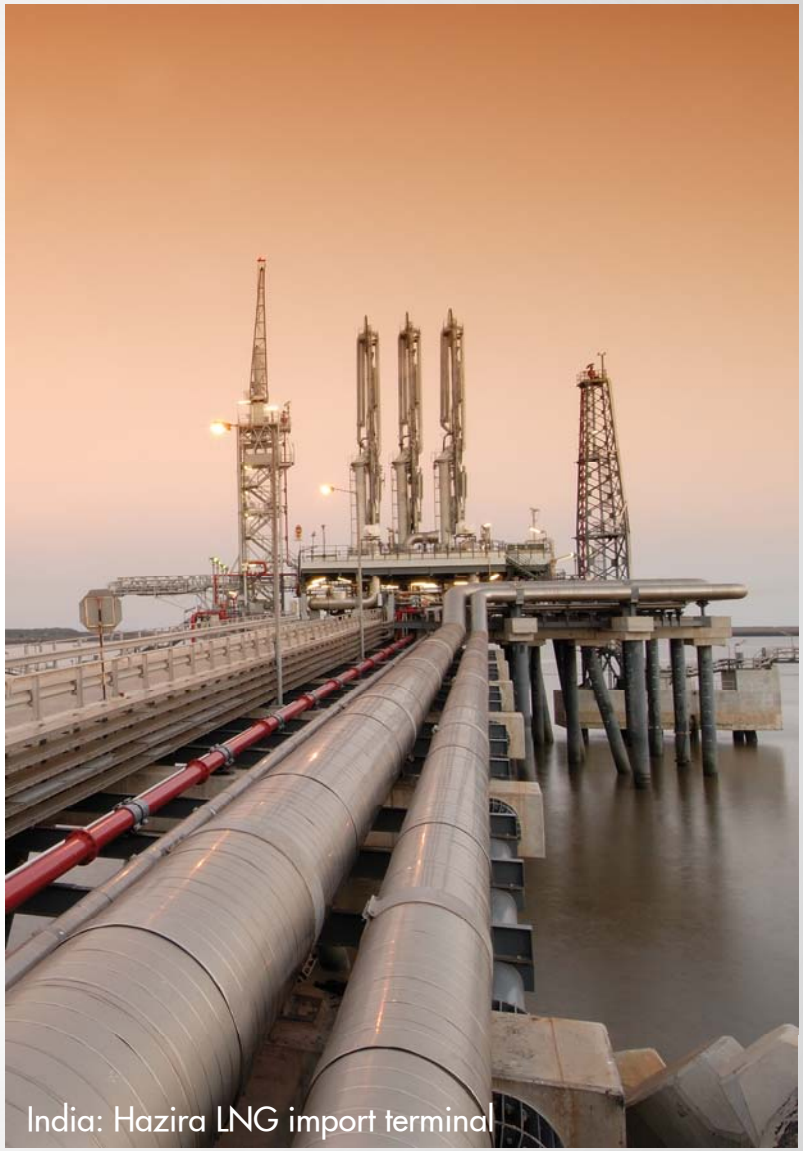
- Simon Henry; Chief Financial Officer
- Maarten Wetselaar; Executive Vice President Upstream International

Asia Pacific portfolio + strategy

- Andrew Brown; Upstream International Director
- Ann Pickard; Executive Vice President Australia
- HK Lim; Executive Chairman Shell China

Project development

- Matthias Bichsel; Projects & Technology Director
- Rob Kretzers; Executive Vice President Projects

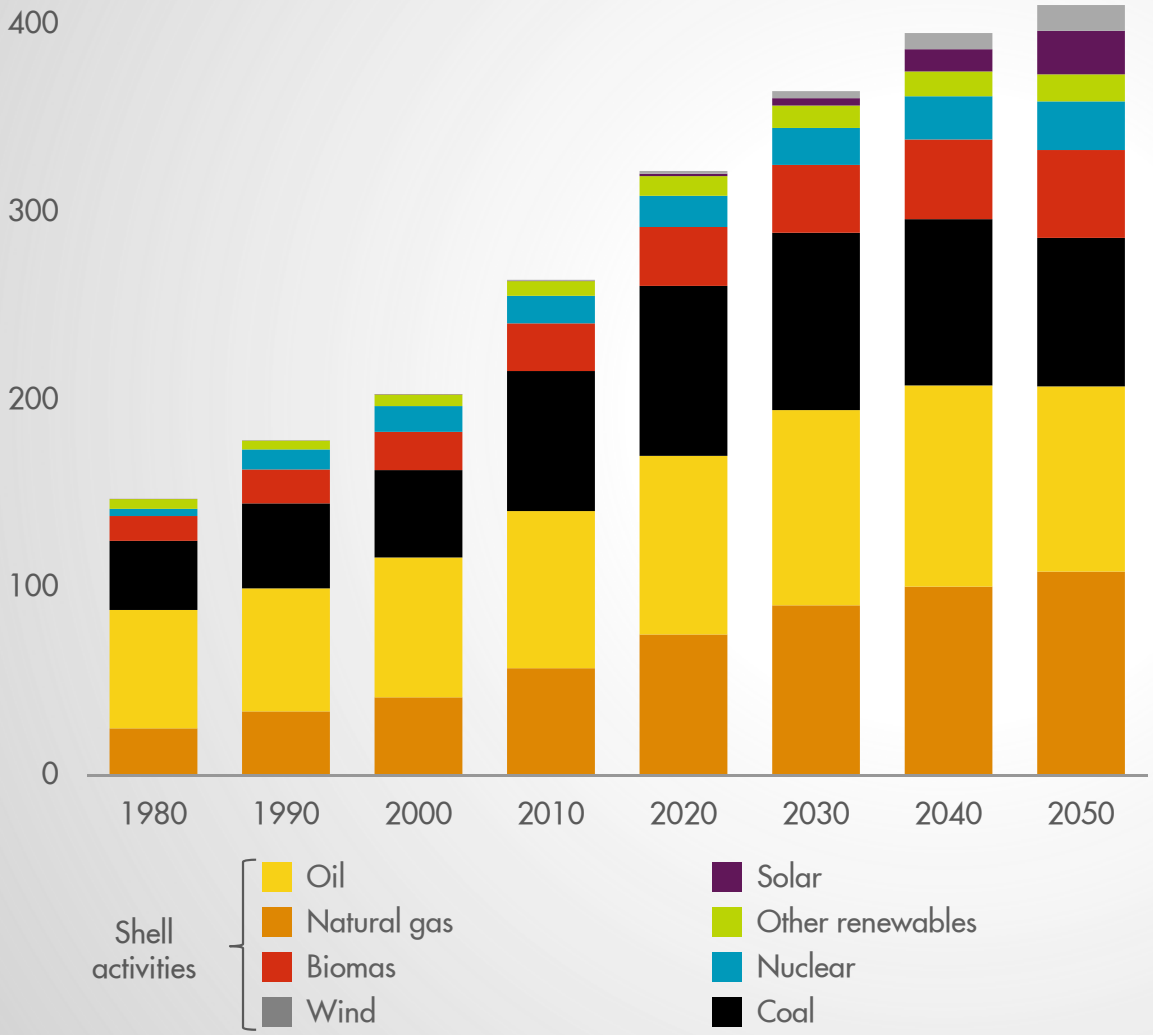


India: Hazira LNG import terminal

GLOBAL ENERGY OUTLOOK

DEMAND GROWTH

Energy demand outlook in million boe/d



- Energy demand +60% 2010 – 2050
- Hydrocarbons dominate outlook
- Gas demand doubling 2010-2050

MAJOR OPPORTUNITY FOR SHELL

GAS: >250 YEARS GLOBAL SUPPLY

ABUNDANT
AFFORDABLE
ACCEPTABLE

Positive global support for gas

- Economic and jobs potential
- Balanced tight/shale regulation
- Contribution to a low-carbon future

New supply chains emerging

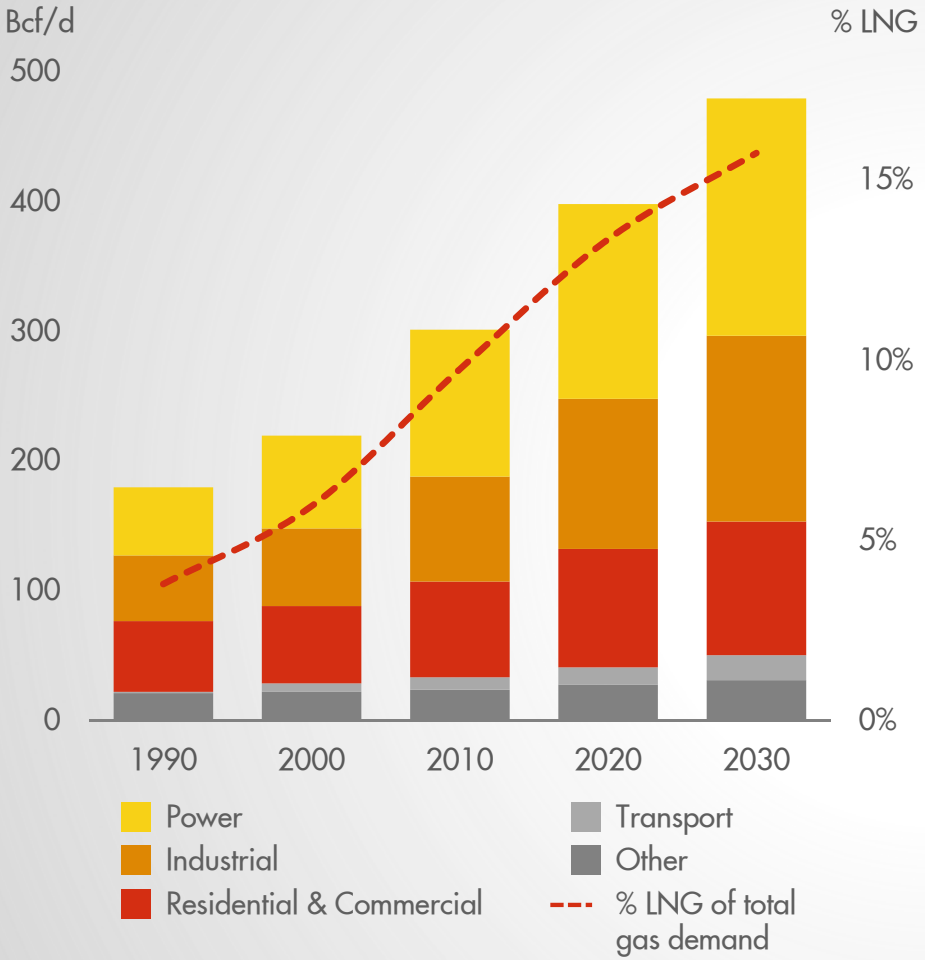
- LNG from North America
- Tight/shale gas in Europe, Africa, Asia Pacific

New market opportunities

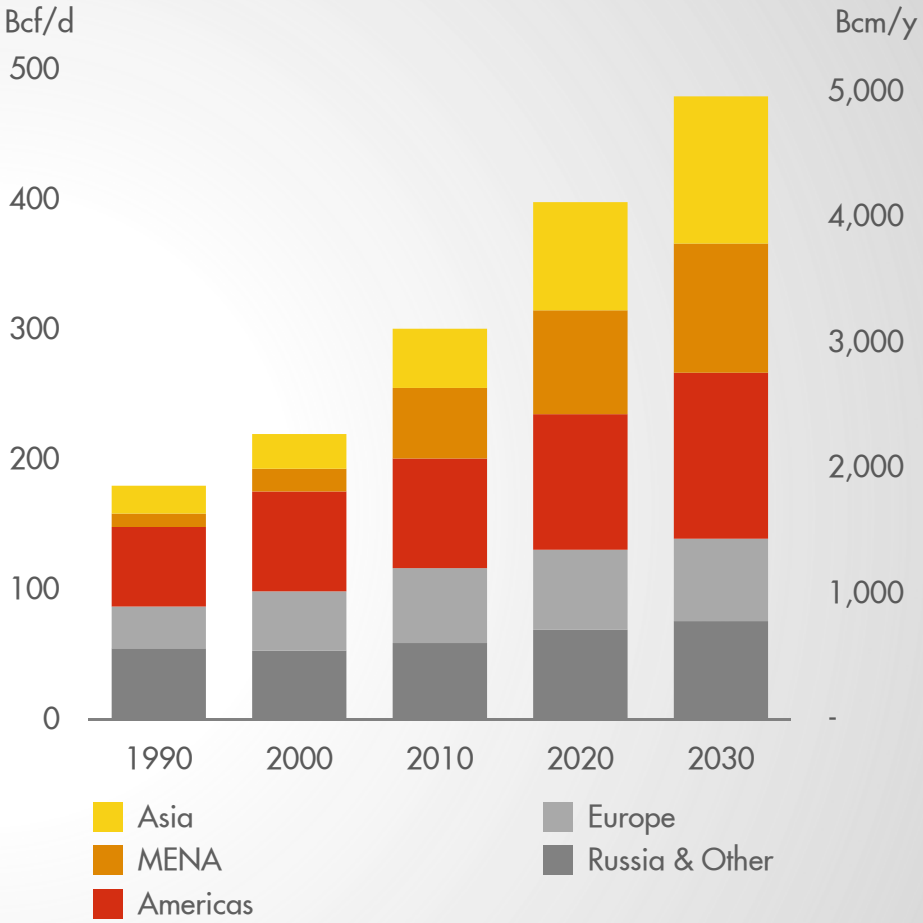
- Gas in transport
- Replacing liquid fuels in industry

GAS DEMAND

DEMAND BY SECTOR

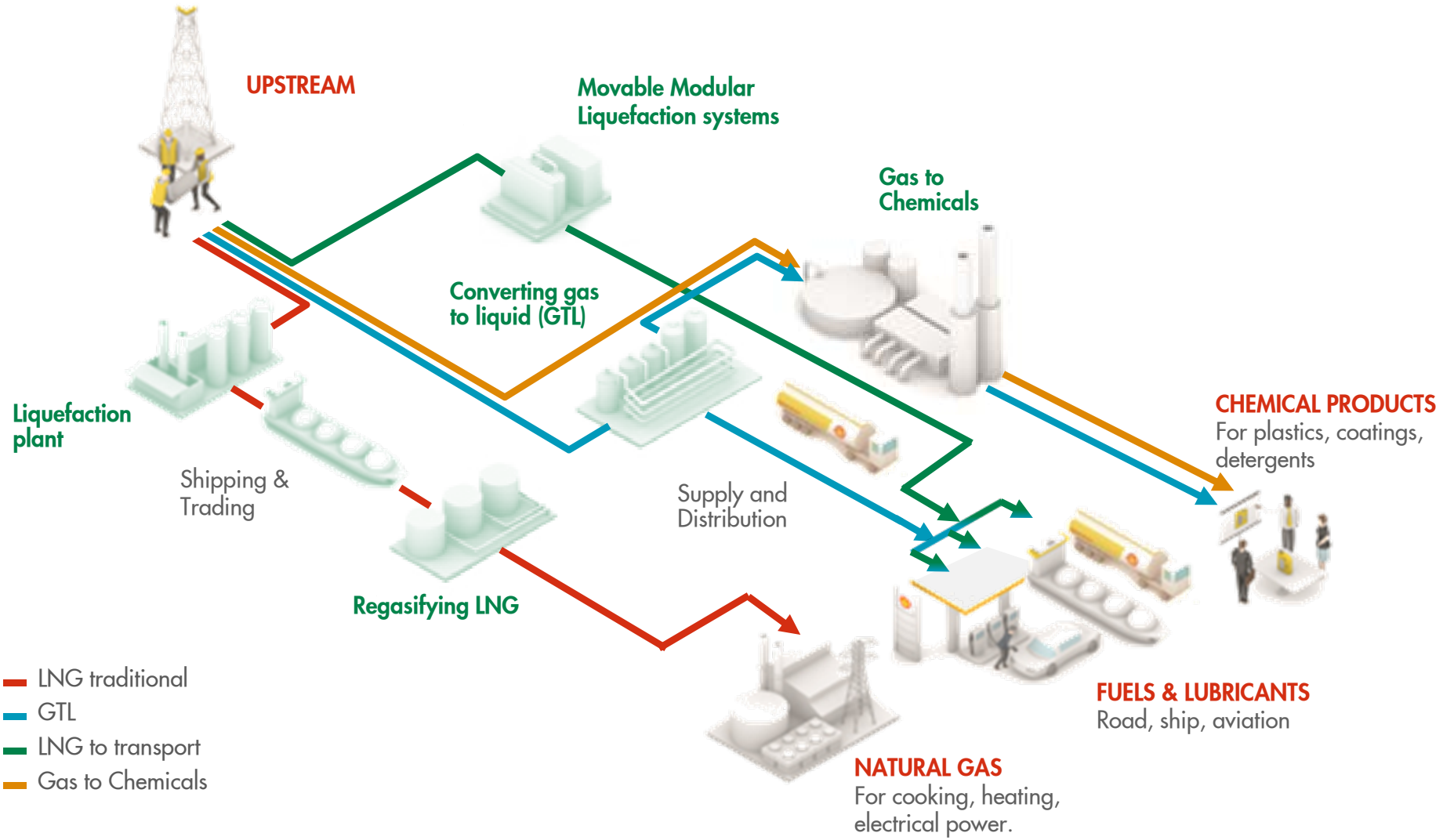


GAS DEMAND BY REGION



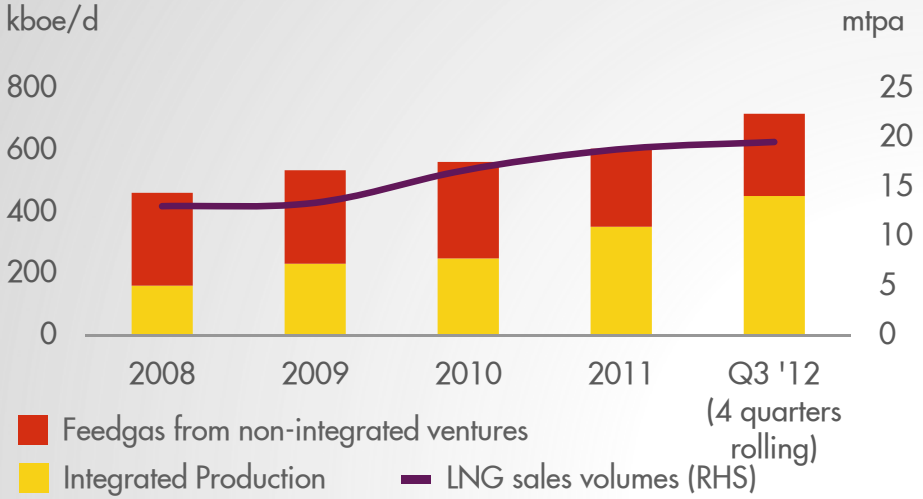
GLOBAL GROWTH OF GAS
MARKET DEVELOPMENT STRONGLY DRIVEN BY REGIONAL THEMES

SHELL GAS VALUE CHAINS

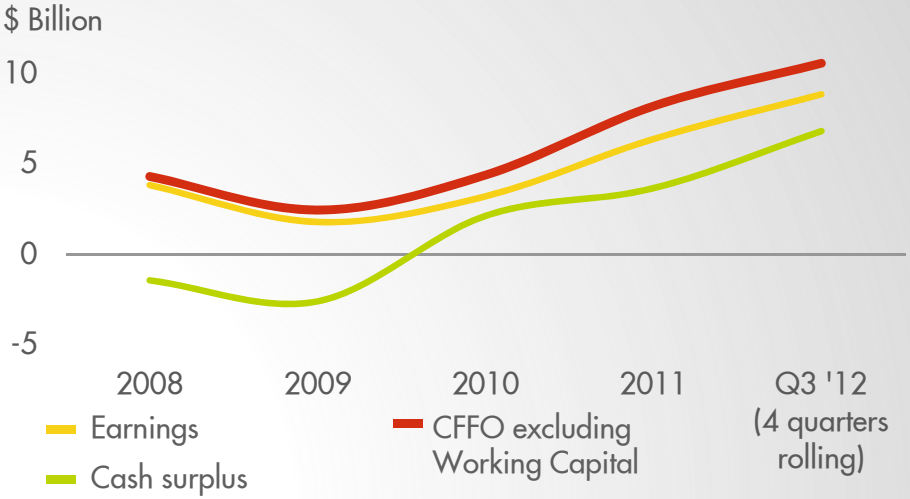


SHELL INTEGRATED GAS PERFORMANCE

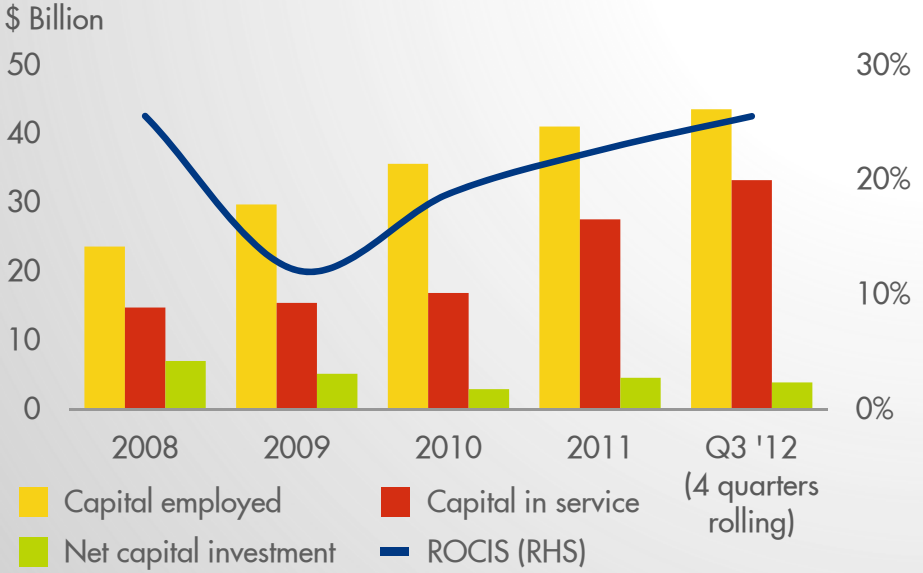
PRODUCTION AND SALES VOLUMES



EARNINGS AND CASH FLOW



RETURN ON CAPITAL IN SERVICE



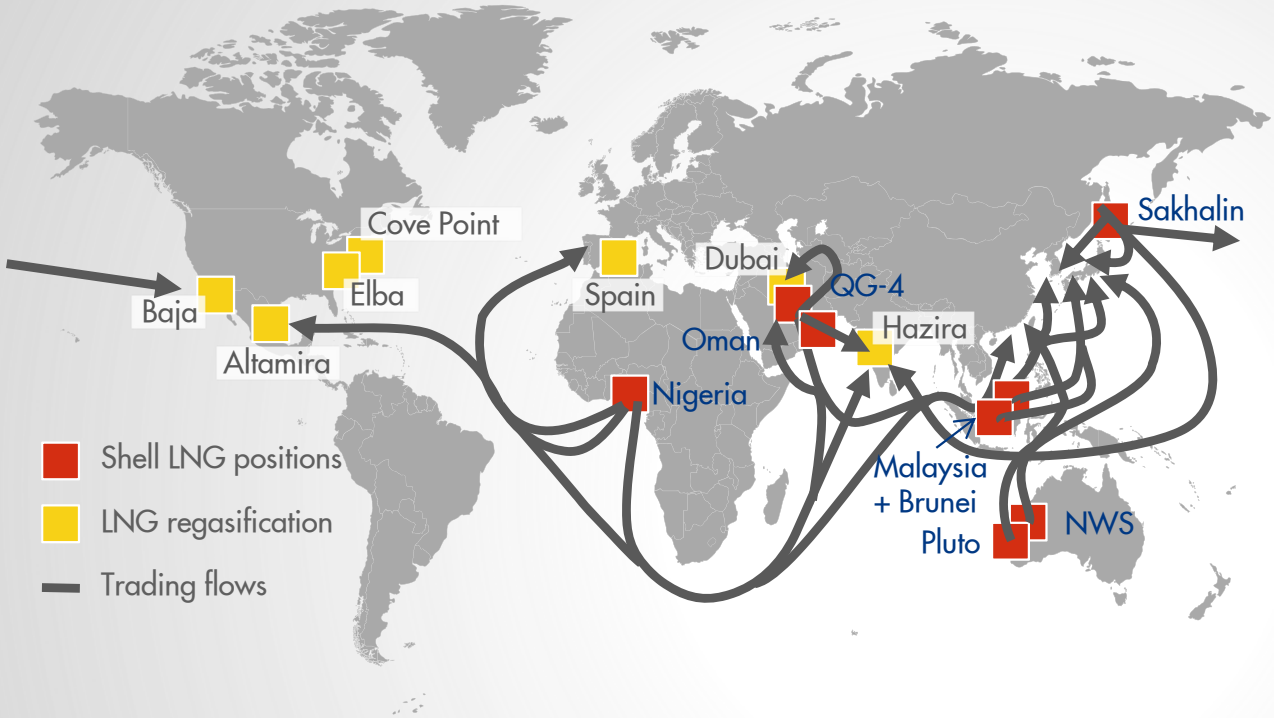
GROWTH DELIVERY + POTENTIAL

>$20 BLN INVESTMENT POTENTIAL 2012-15

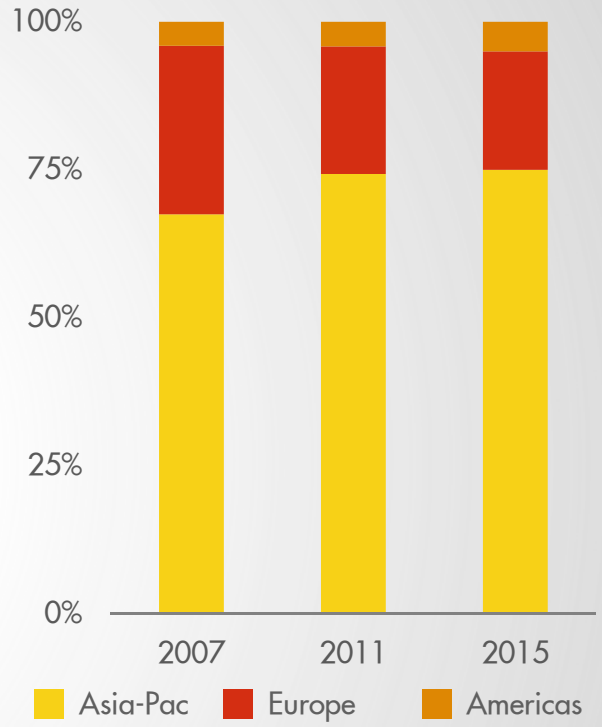
Earnings exclude identified items

SHELL LNG TRADING

GLOBAL LNG PORTFOLIO



LNG DESTINATIONS (SHELL)

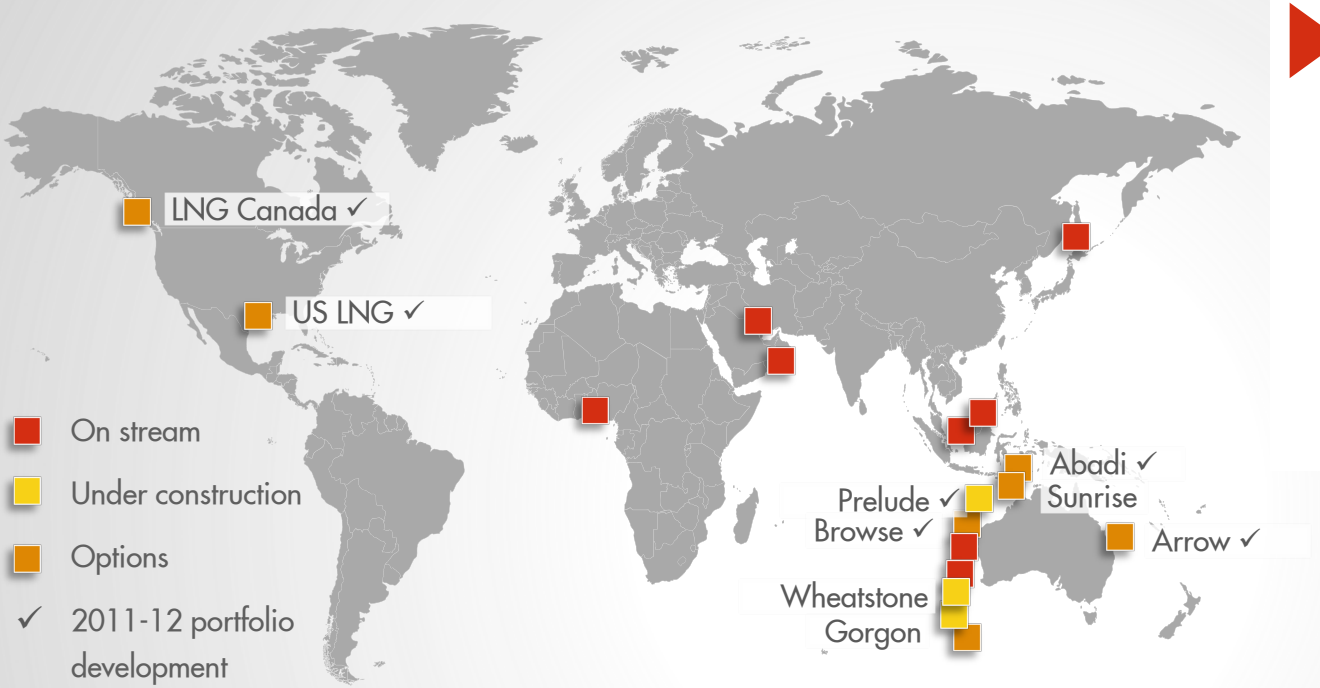


- **90% CONTRACTED; 10% TRADED**
- **VALUE OPTIMIZATION BETWEEN MARKETS**
- **TREND TO PORTFOLIO GAS CONTRACTS, ENHANCING DIVERSION POTENTIAL**

	2007	2011	2015
Long term contracts	90%	90%	90%
% of LT contracts - oil price linked	90%	80%	80%
Sales volumes (mtpa)	13.2	18.8	

SHELL LNG GROWTH + POTENTIAL

GLOBAL LNG PORTFOLIO



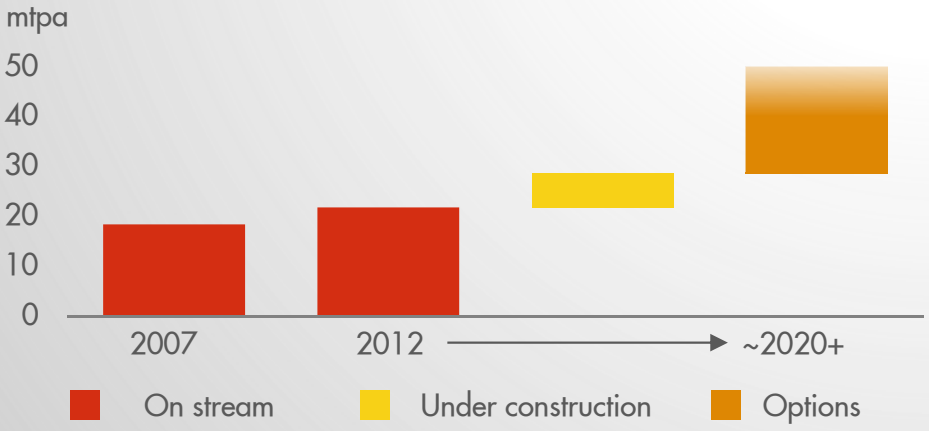
22 MTPA ON STREAM

7 MTPA UNDER CONSTRUCTION + 33%

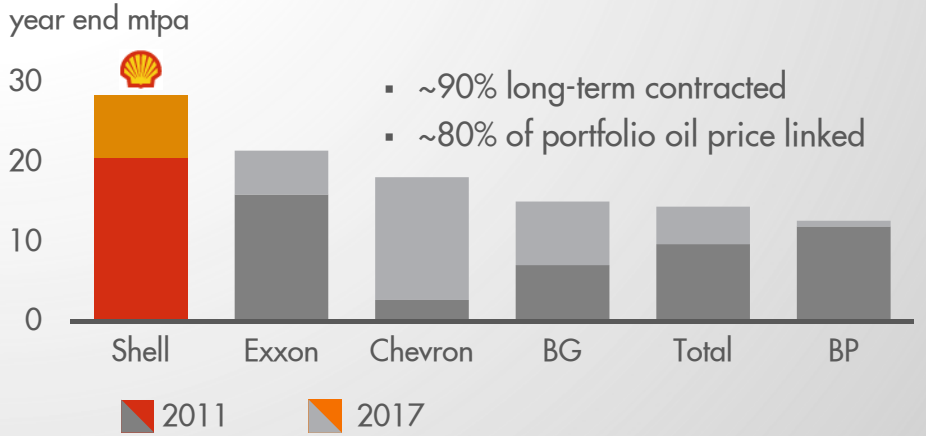
20+ MTPA OPTIONS

SHELL 7% GLOBAL MARKET SHARE

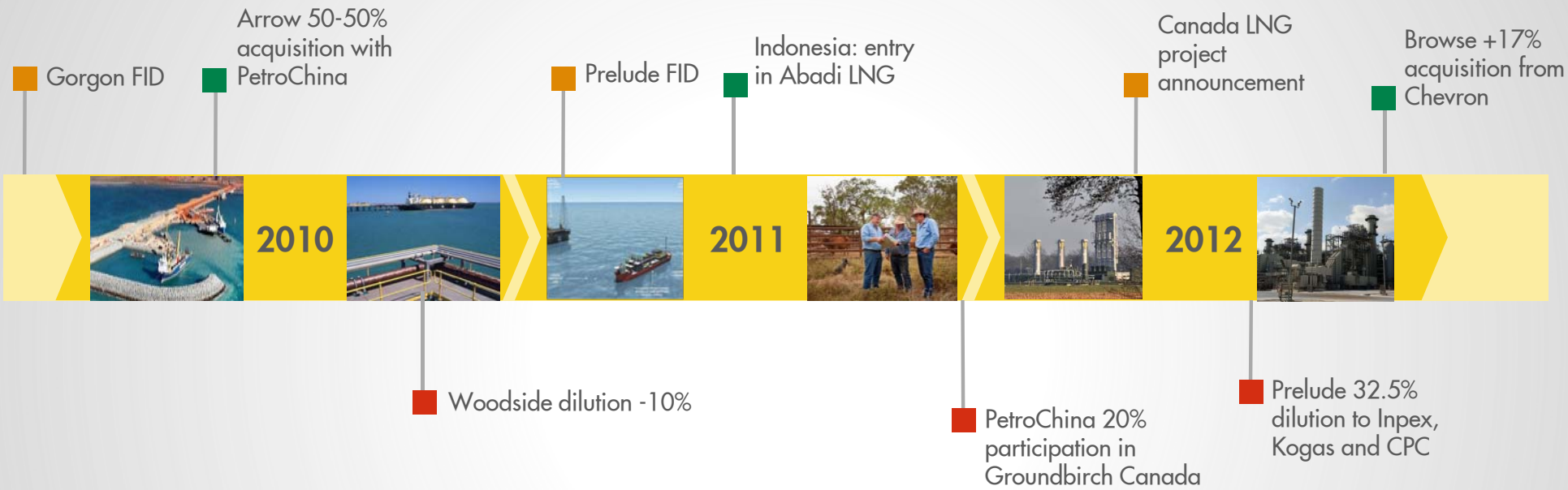
SHELL GLOBAL LNG CAPACITY GROWTH



SHELL LNG LEADERSHIP



MANAGING OUR LNG PORTFOLIO + OPTIONS



STRATEGIC PARTNERS AND SIZEABLE STAKES

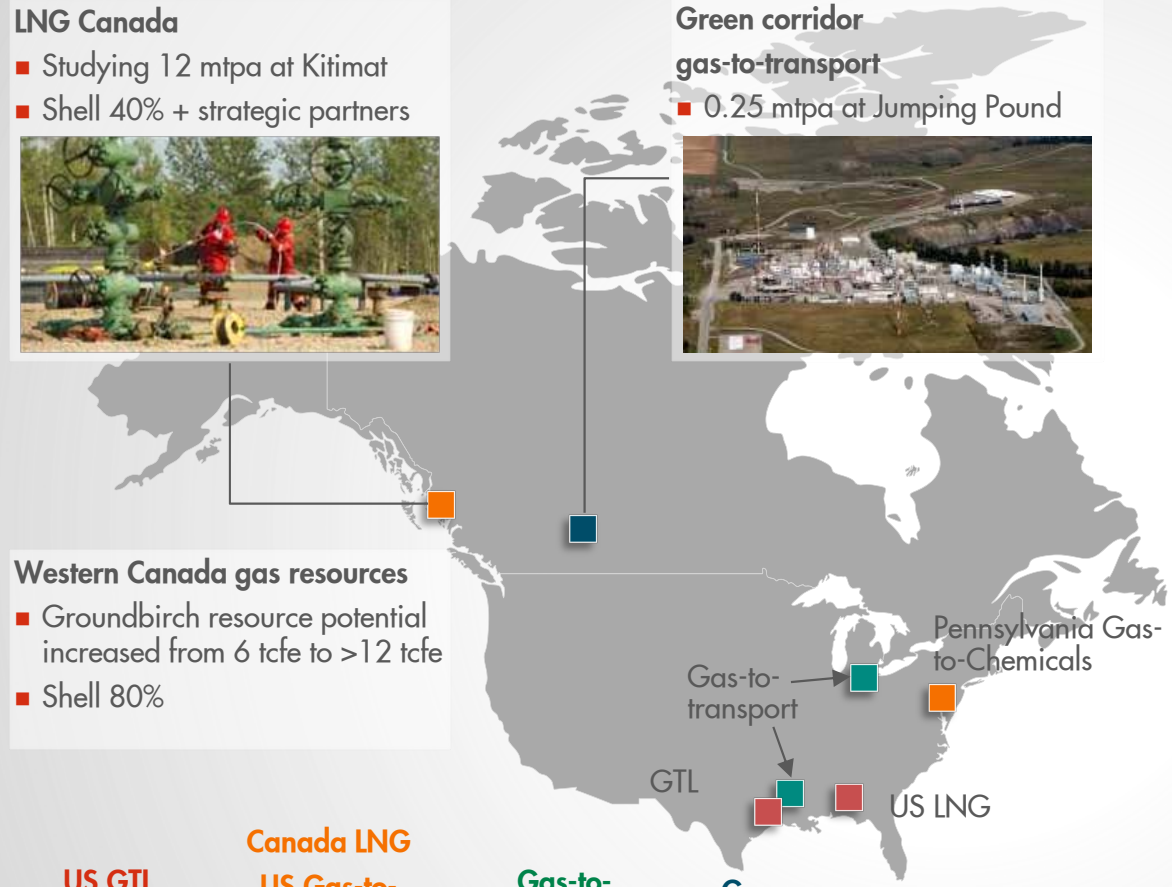
PORTFOLIO DIVERSITY & CHOICES

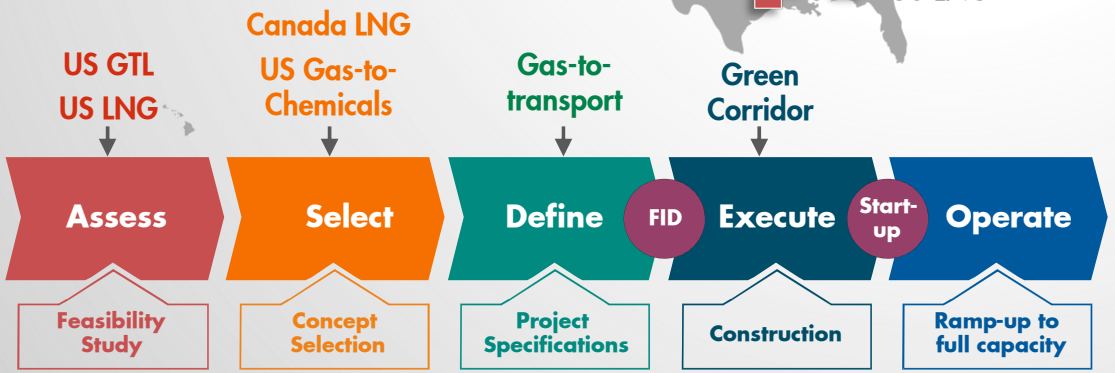
AMERICAS INTEGRATED GAS OPTIONS

LNG Canada
- Studying 12 mtpa at Kitimat
- Shell 40% + strategic partners

Green corridor gas-to-transport
- 0.25 mtpa at Jumping Pound

Western Canada gas resources
- Groundbirch resource potential increased from 6 tcfe to >12 tcfe
- Shell 80%





- Shell's integrated gas capabilities
- Equity + industry resources base
- Natural hedge; oil/gas differential

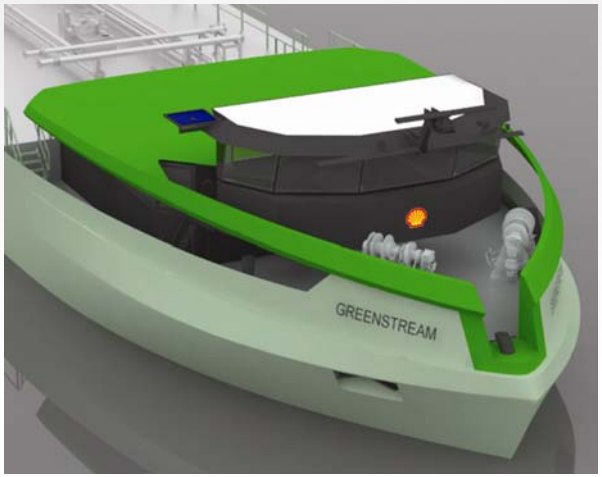
NEW GAS VALUE CHAINS

LNG TO TRANSPORT

ROAD TRANSPORT

- Canada Green Corridor
- US Gulf Coast and Great Lakes long distance trucking options
- TravelCenters of America

SHIPPING



- Offshore shipping
- Inland barges

FUTURE OPTIONS

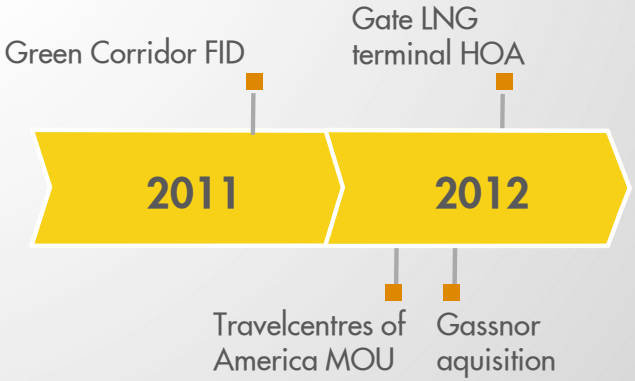
- Mining
- Rail
- Fraccing

FAST MOVING LNG OPPORTUNITY

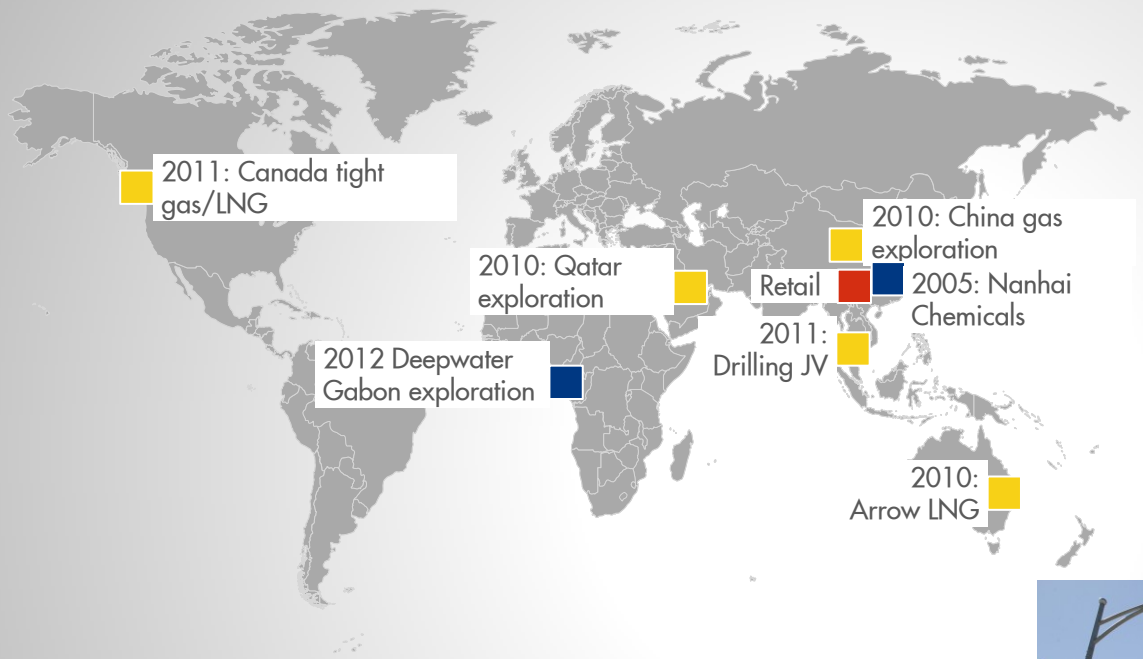
GROWTH DRIVEN BY

- PRICE
- EMISSION ADVANTAGE
- GAS AVAILABILITY

ASSESSING >5 MTPA LONG TERM OPPORTUNITIES



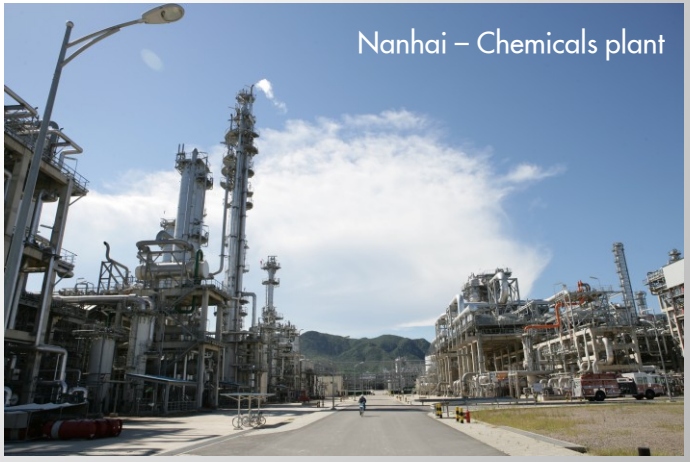
STRATEGIC PARTNERSHIPS: CHINA



CNPC/Petrochina

Sinopec

CNOOC

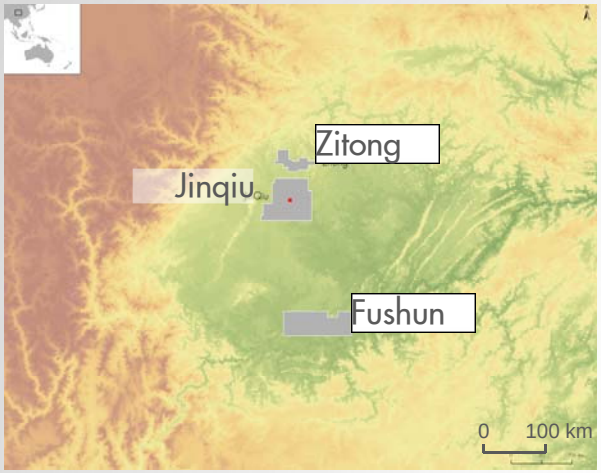


BROAD + LONG-TERM COOPERATION:

- CHINA DOWNSTREAM + LNG SALES
- CHINA EXPLORATION
- INTERNATIONAL PARTNERSHIPS

TIGHT/SHALE GAS EXPLORATION

CHINA

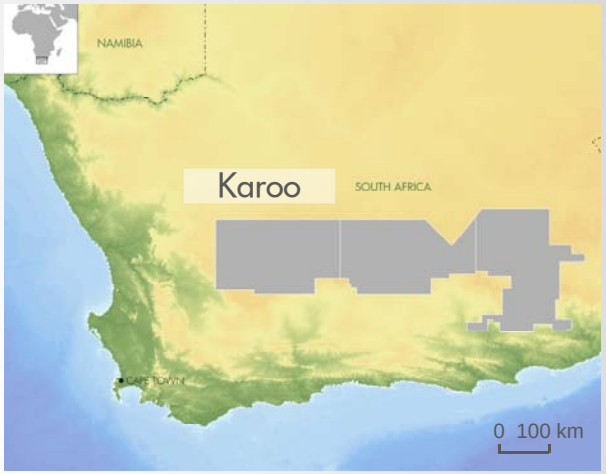


- 3 blocks tight /shale
  - 8,500 km2
  - Shell 50%

UKRAINE

- Yuzivska : tight gas/shale: 7,800 km^2
  - Multi-tcf tight/shale gas potential
  - Shell 50 %

SOUTH AFRICA



- Karoo Basin; 90,000 km2 under application
  - Shell 100 %
  - Moratorium lifted September 2012

MAJOR EXPLORATION PLAYS FOR NEW GAS POTENTIAL

LEADERSHIP IN GLOBAL GAS

- International gas value chains
- Deep relationships with key customers
- Global presence + portfolio approach


Nigeria LNG – Bonny Island

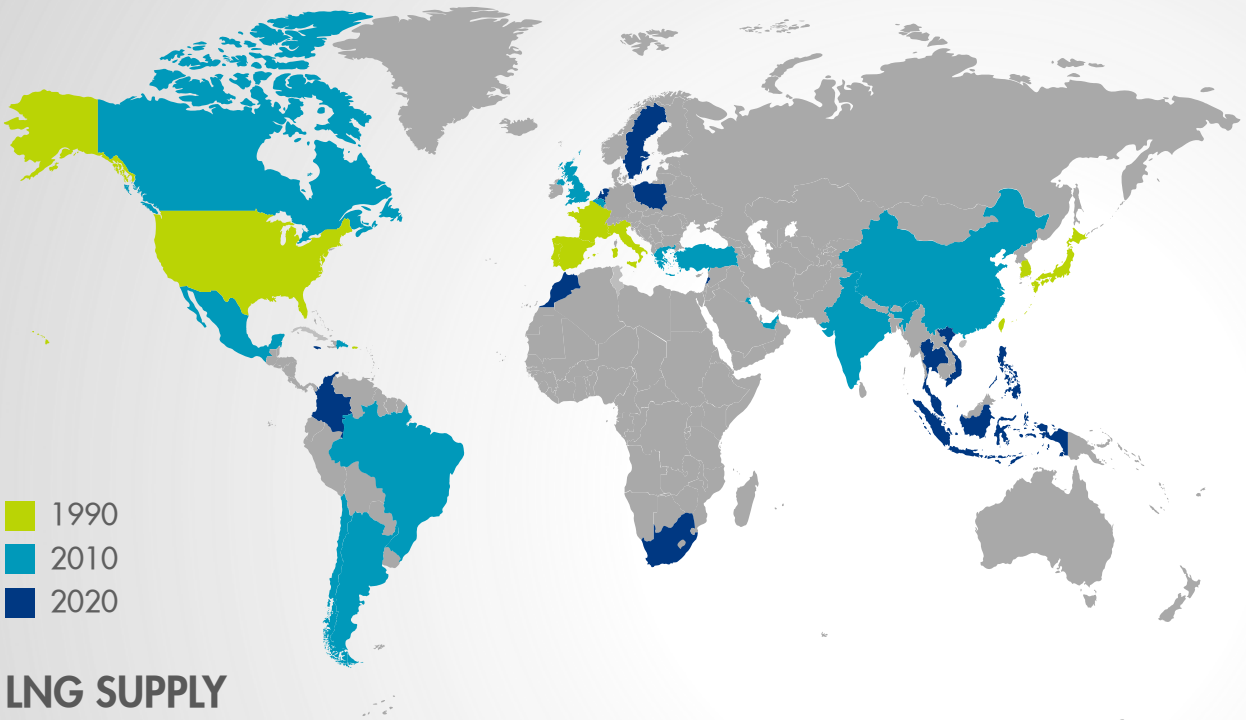
SHELL POSITIONED FOR RAPID + PROFITABLE GAS GROWTH

ROYAL DUTCH SHELL PLC
LNG MARKETS

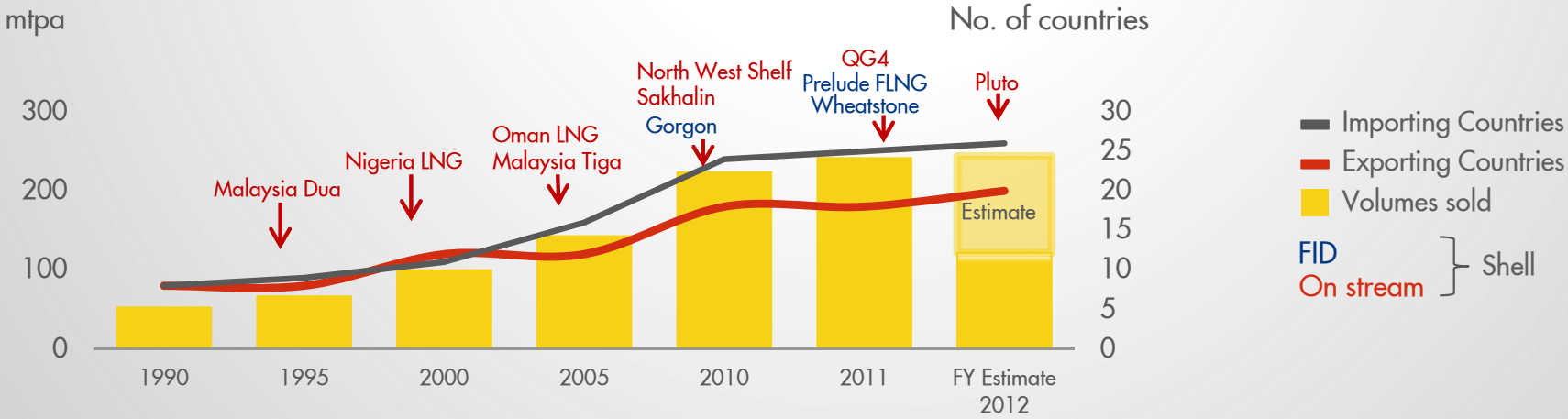
SIMON HENRY
CHIEF FINANCIAL OFFICER

LNG MARKET DEVELOPMENT

LNG IMPORT COUNTRIES

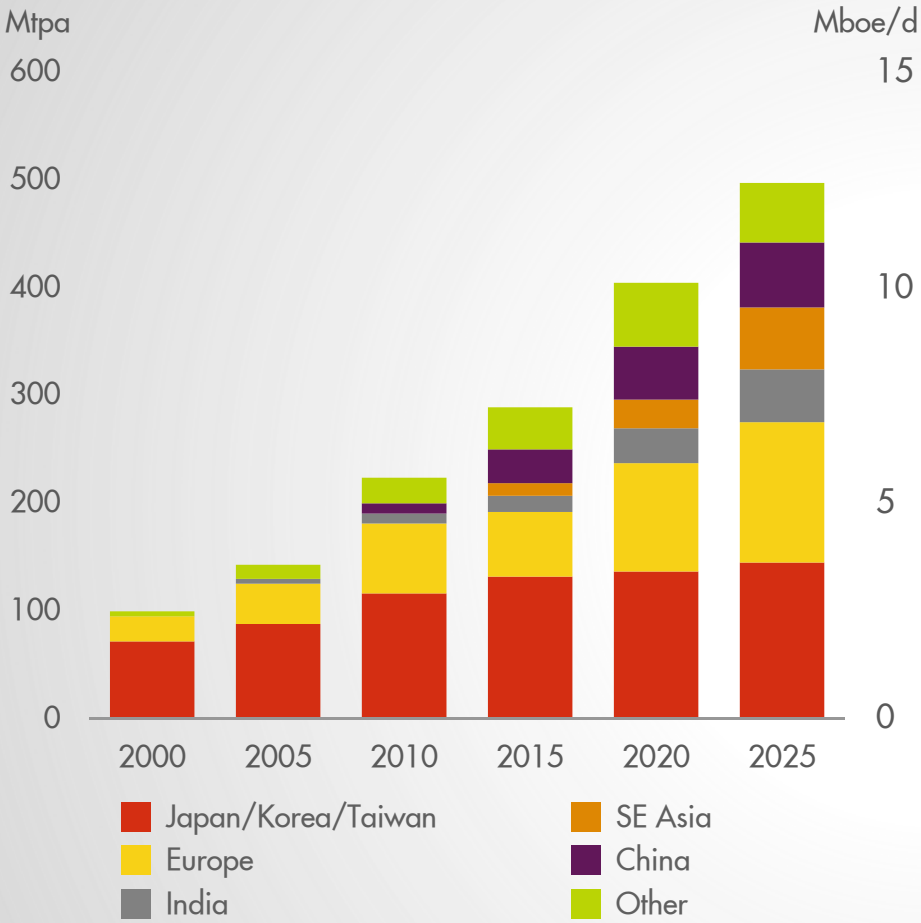


LNG SUPPLY

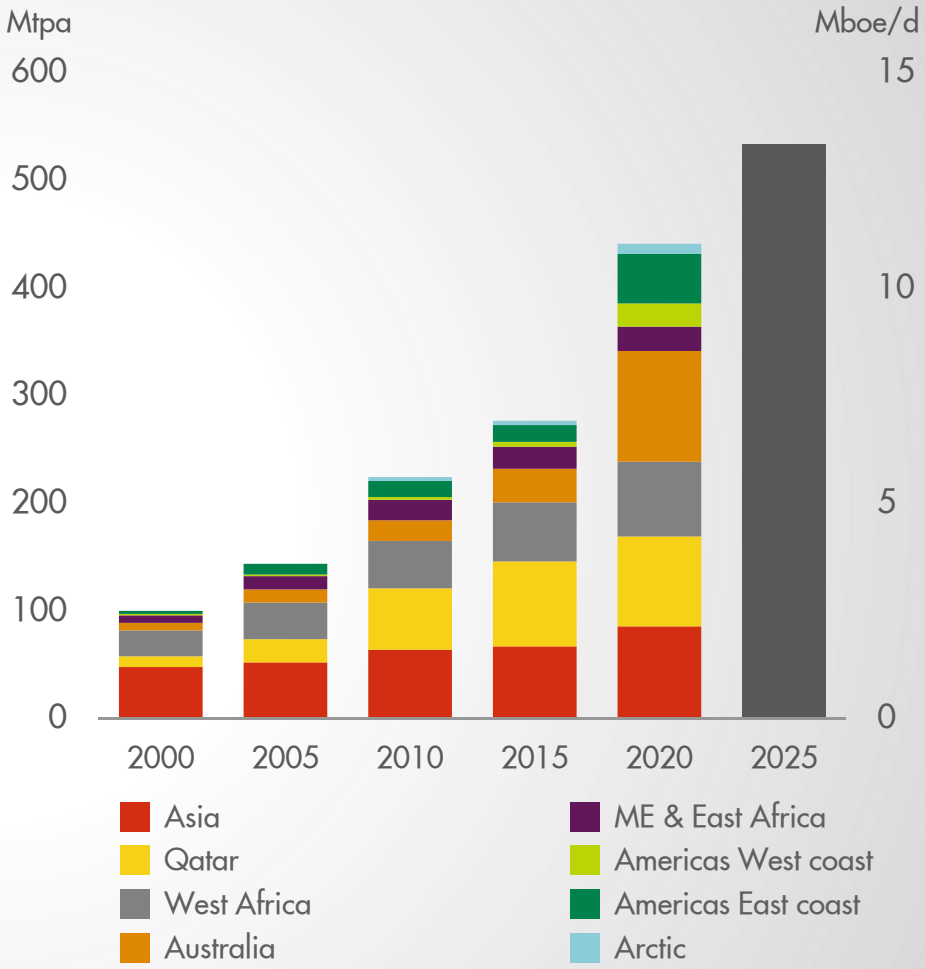


LNG SUPPLY AND DEMAND DYNAMICS

LNG DEMAND



LNG SUPPLY*



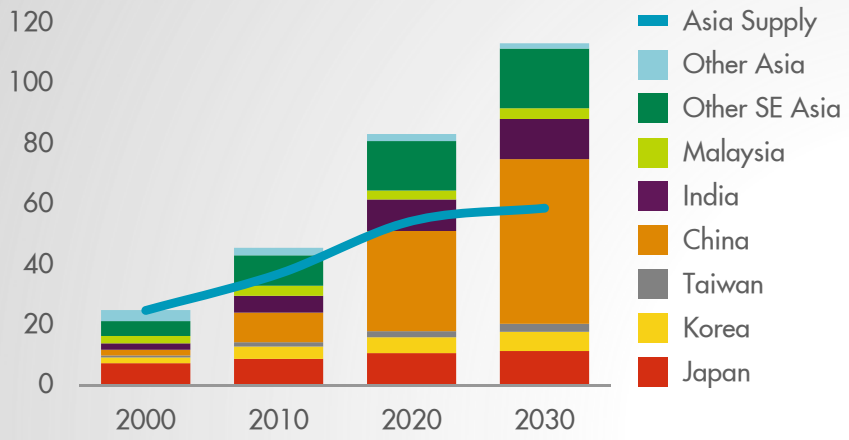
DEMAND DOUBLE 2010 – 2020
SUPPLY RESPONSE
>$700 BILLION IDUSTRY INVESTMENT 2010-2025

* Risked view of all LNG supply projects

REGIONAL GAS DEMAND DEVELOPMENT

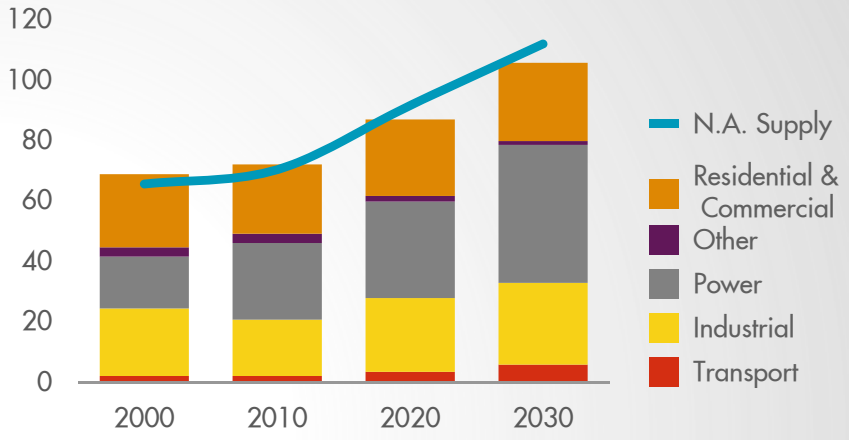
ASIA DEMAND

Bcf/d



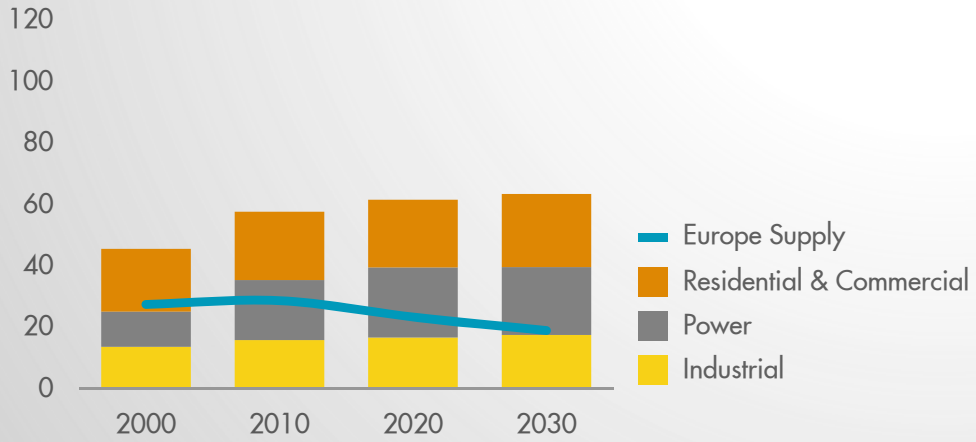
NORTH AMERICA DEMAND

Bcf/d



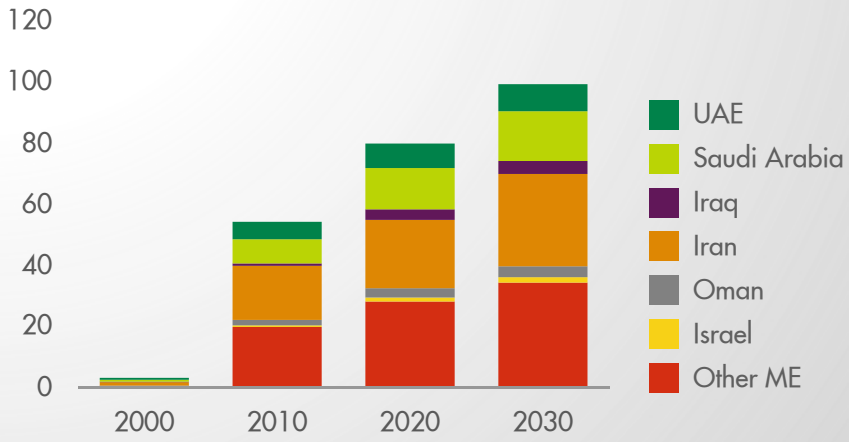
EUROPE DEMAND

Bcf/d



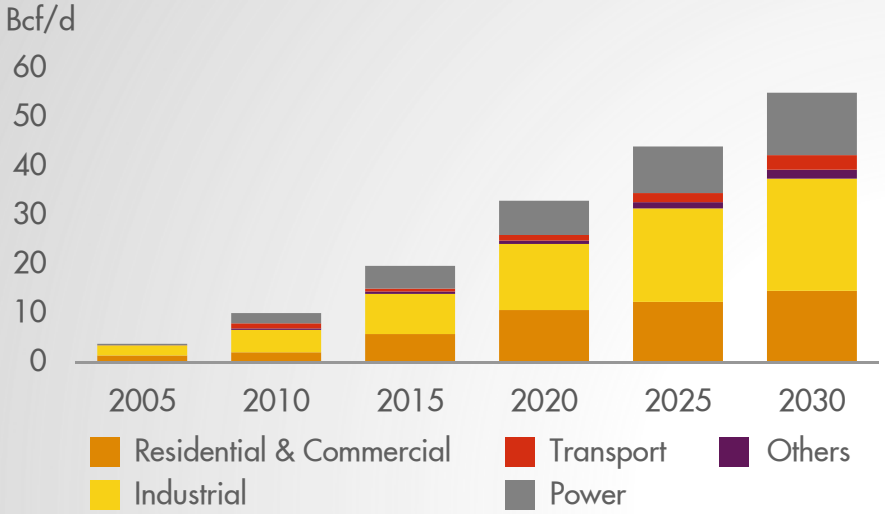
MIDDLE EAST DEMAND

Bcf/d

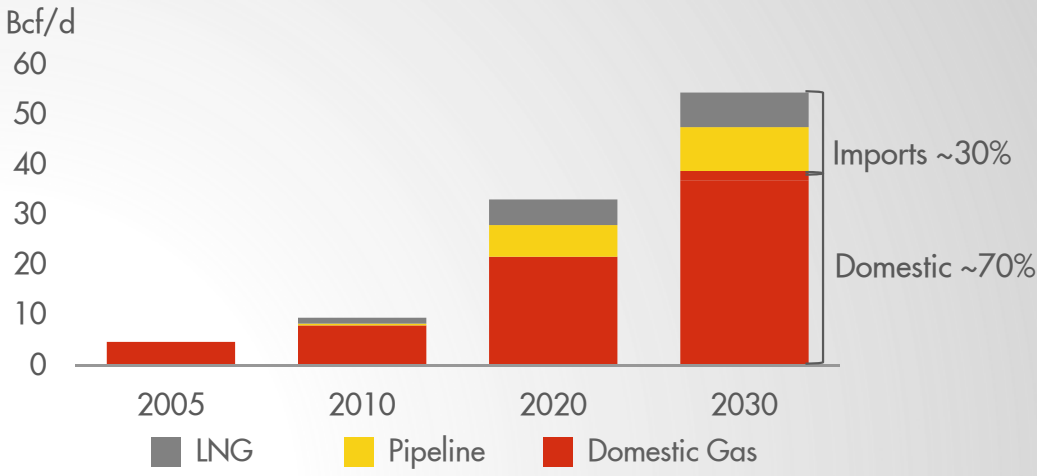


CHINA GAS – SUPPLY & DEMAND

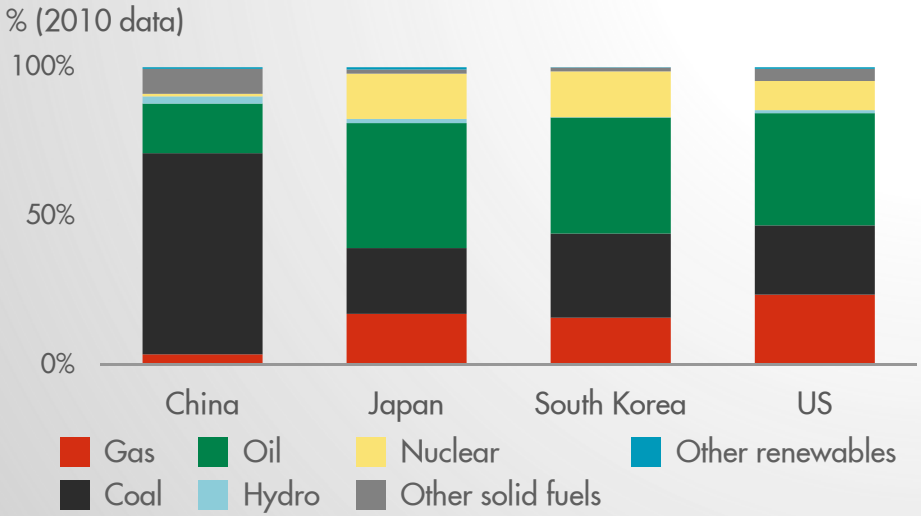
CHINA GAS DEMAND



GAS SUPPLY MIX



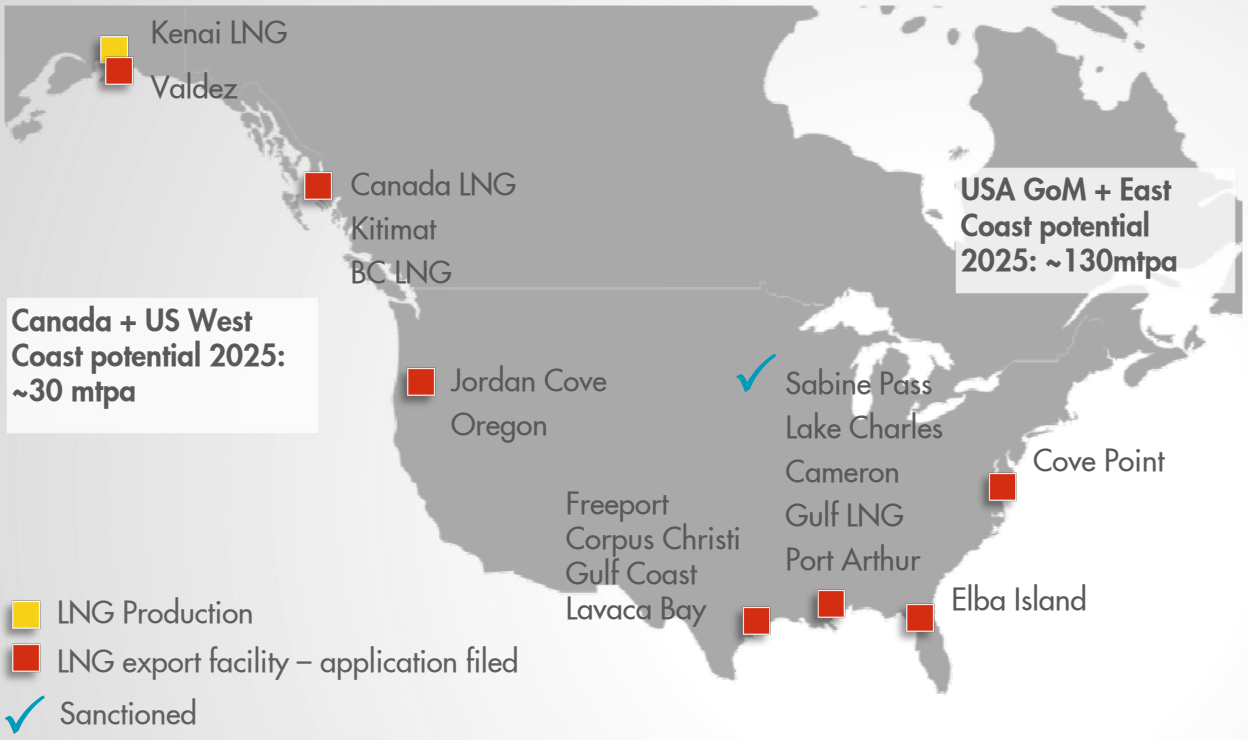
PRIMARY ENERGY MIX



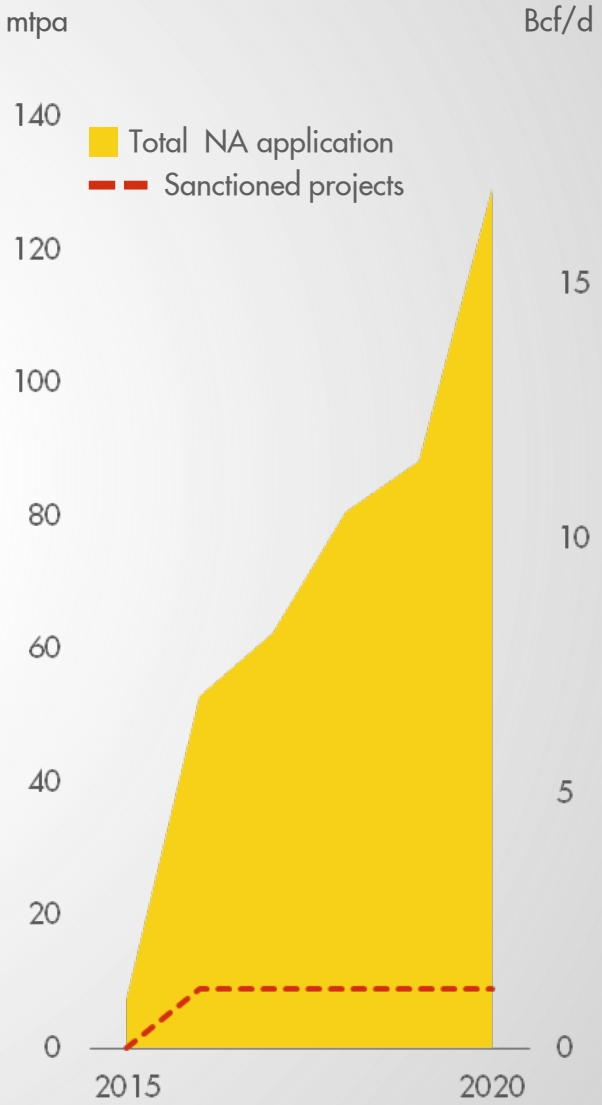
DEMAND OUTLOOK REQUIRES BOTH DOMESTIC & IMPORT GAS GROWTH

NORTH AMERICA LNG POTENTIAL

INDUSTRY LNG EXPORT PLANS



NORTH AMERICAN LNG EXPORT DEVELOPMENT

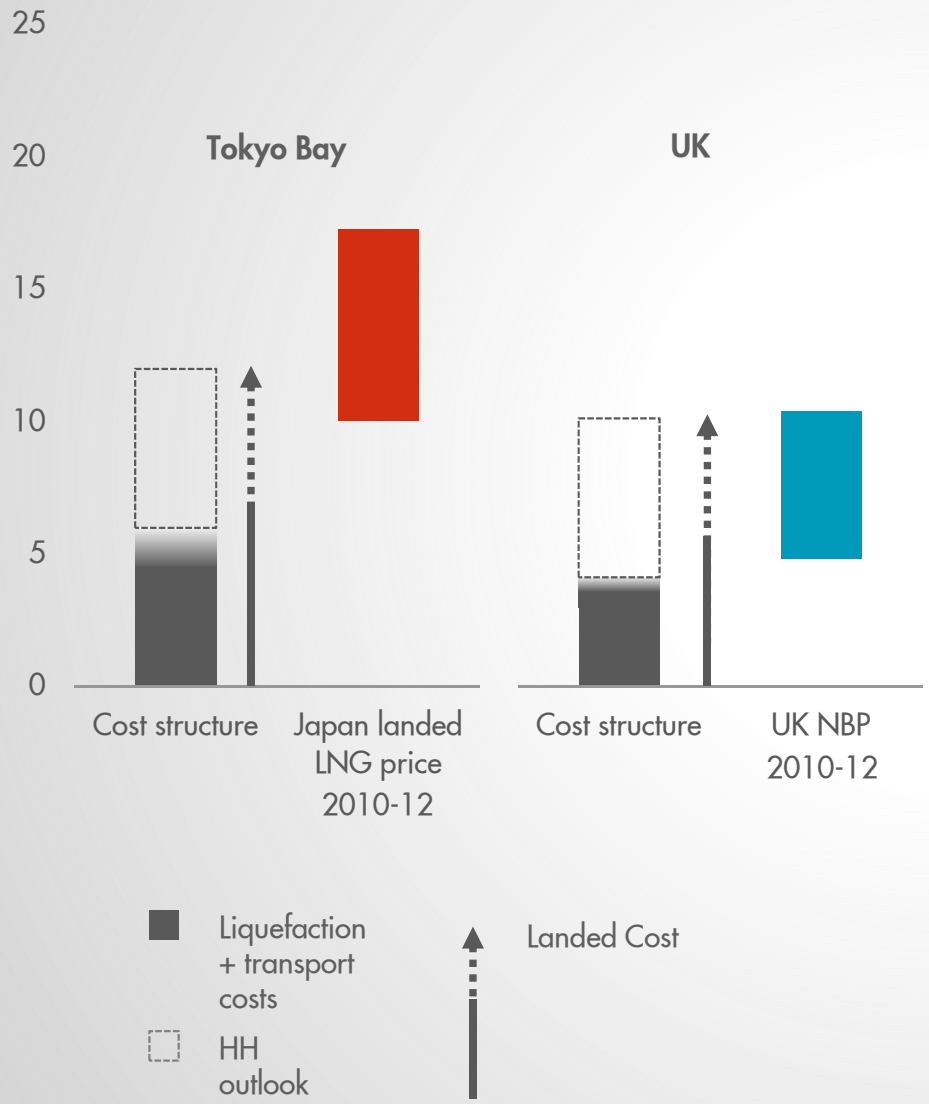


MAJOR OPPORTUNITY FOR AMERICA GAS INDUSTRY

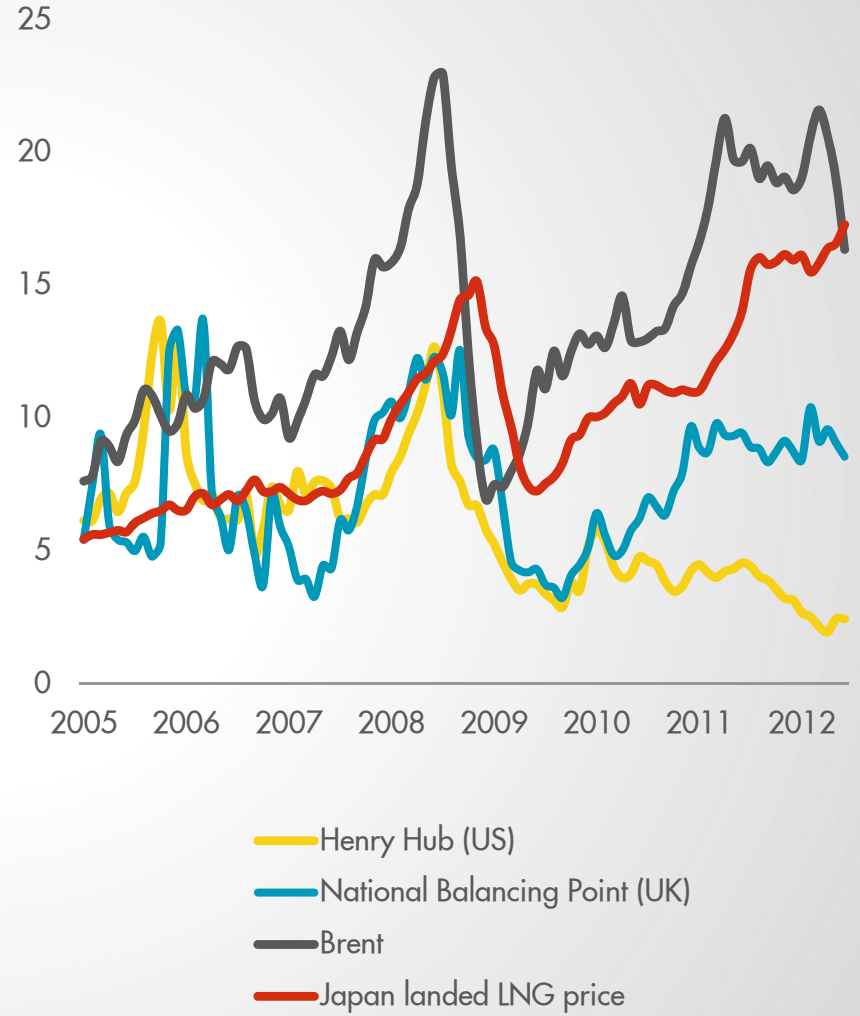
- **PERMITTING**
- **> $300 BLN INDUSTRY FINANCING REQUIREMENT**
- **PRICE AND MARKET CONSIDERATIONS**

LNG PRICING CONSIDERATIONS

LNG PRICE DYNAMICS – US EXPORTS

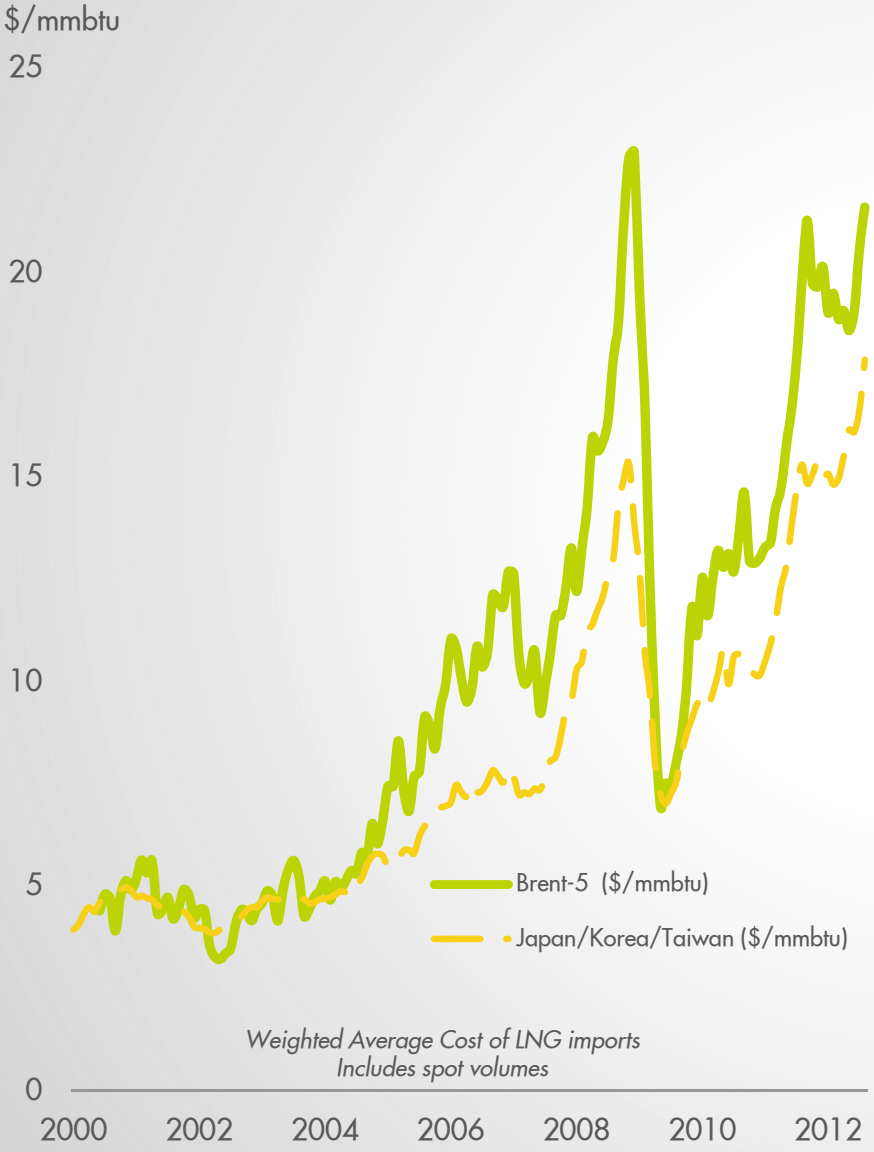


REGIONAL GAS PRICES



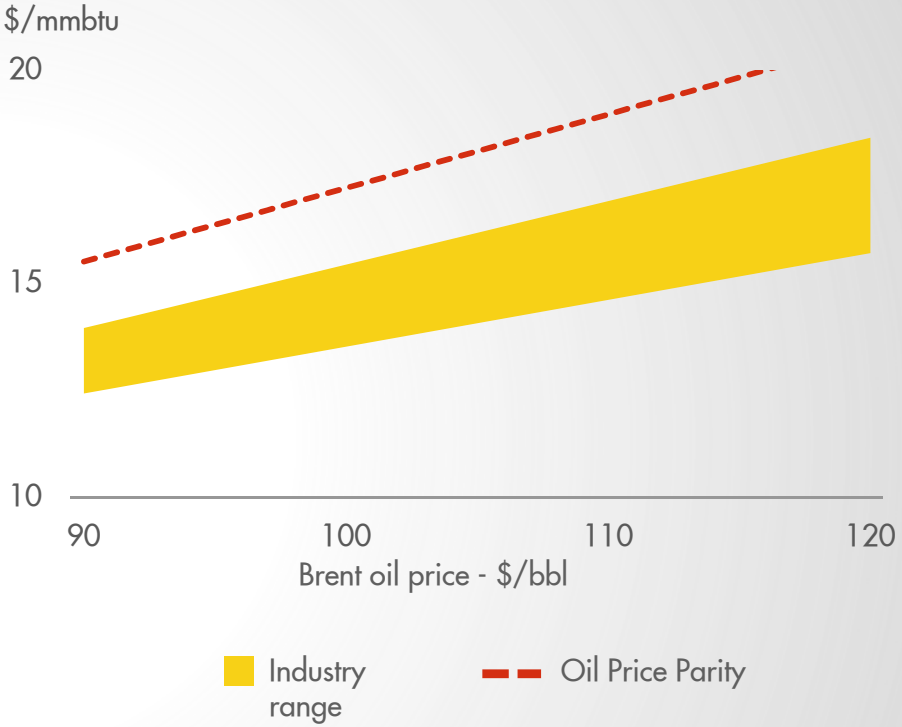
ASIA LNG PRICING DYNAMICS

ASIA LNG PRICING HISTORY



LNG CONTRACTS: OIL PRICE LINKED

2010/2011 LNG contracts (Industry)



LNG PRICED VS. OIL

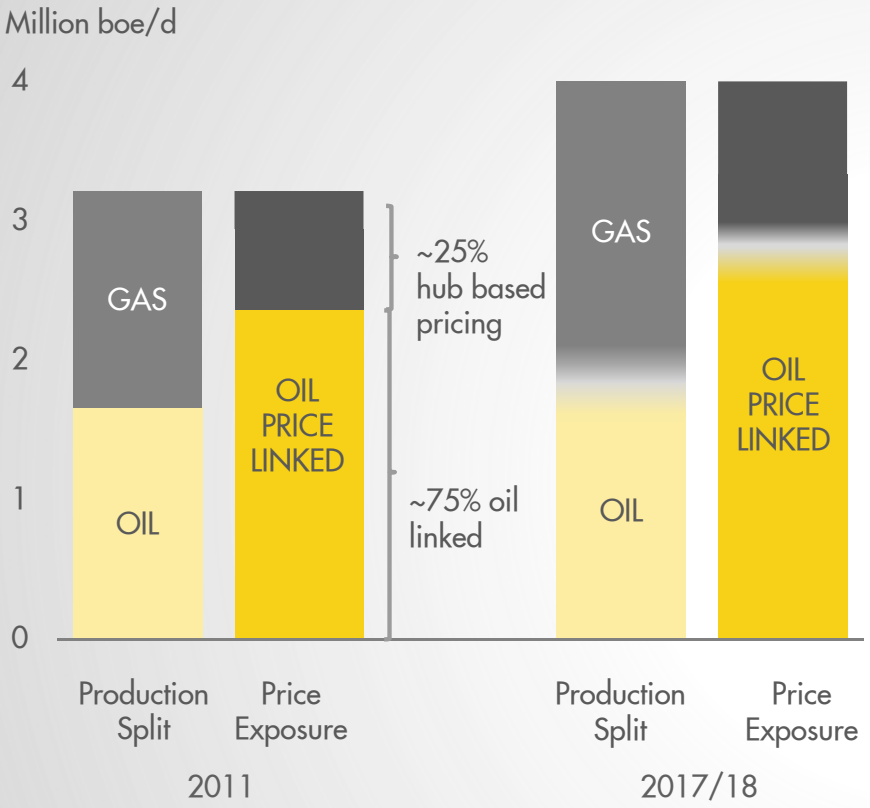
RECENT CONTRACTS REFLECTING CURRENT OIL MARKETS

LEGACY CONTRACTS REVISED TO NEW OIL PRICE WORLD

Range includes contracts with S-curves.

SHELL + LNG

SHELL PRODUCTION



- Diverse + growing customer base
- Sector requires sustained + large scale investment to meet demand
- LNG pricing reflects capital intensity and supply security

GROWTH IN GAS LOCKING IN OIL PRICE EXPOSURE

SHELL POSITIONED FOR RAPID + PROFITABLE LNG GROWTH

ROYAL DUTCH SHELL PLC

ASIA PACIFIC GROWTH OUTLOOK

ANDREW BROWN

DIRECTOR UPSTREAM INTERNATIONAL

UPSTREAM ASIA PACIFIC

ASIA PACIFIC PRODUCTION

- **SUBSTANTIAL UNDEVELOPED RESOURCES**
- **GAS GROWTH OPPORTUNITY**
  - EXPLORATION
  - LNG
  - TIGHT/SHALE

- **SUSTAINING PRODUCTION + ASSET INTEGRITY**
- **HEARTLANDS EXPLORATION**
  - EXTENDING PRODUCTION LIFE
  - SELECTED HUB GROWTH

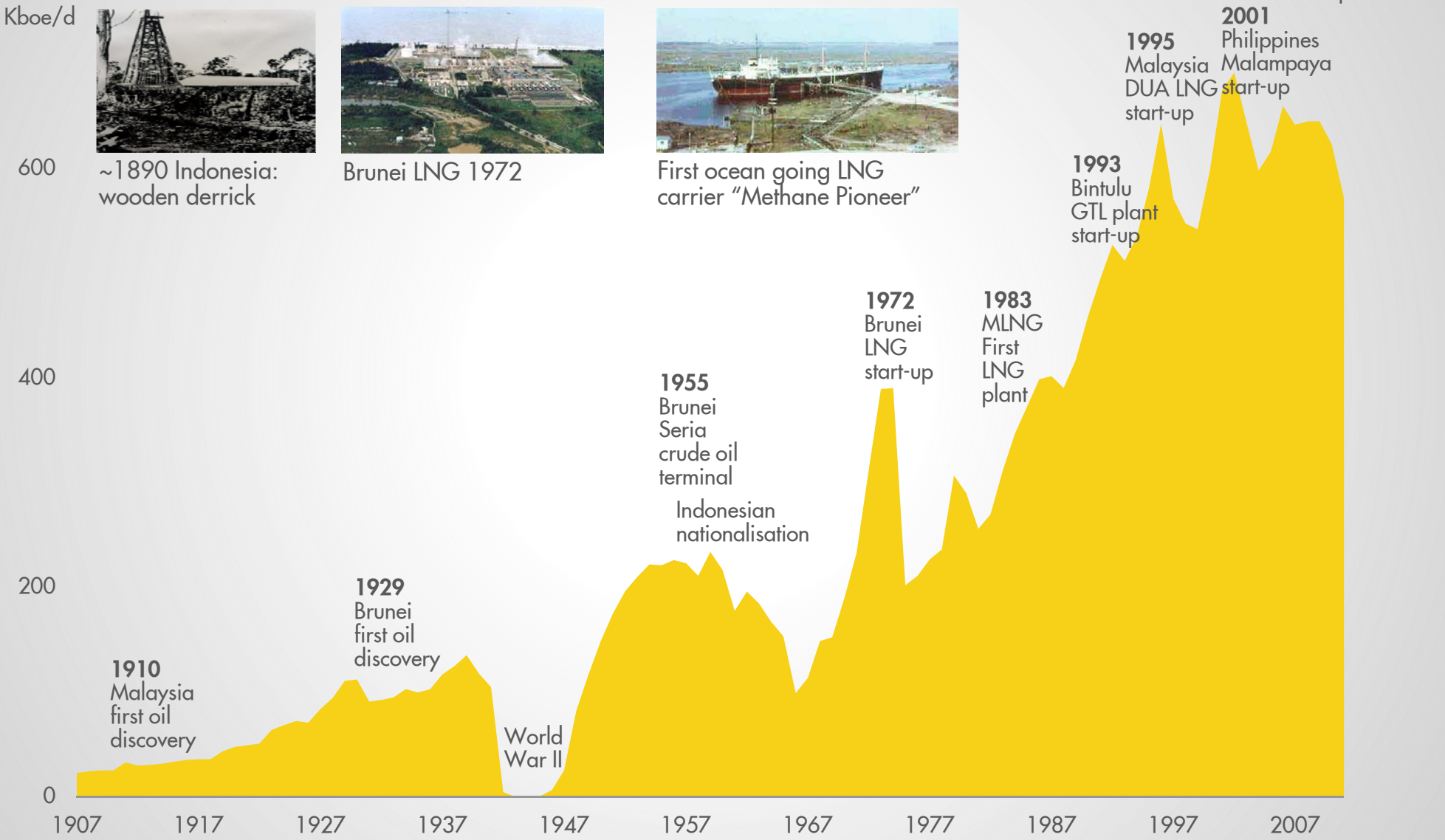
ASIA PACIFIC HISTORY

ASIA PACIFIC PRODUCTION

~1890 Indonesia: wooden derrick

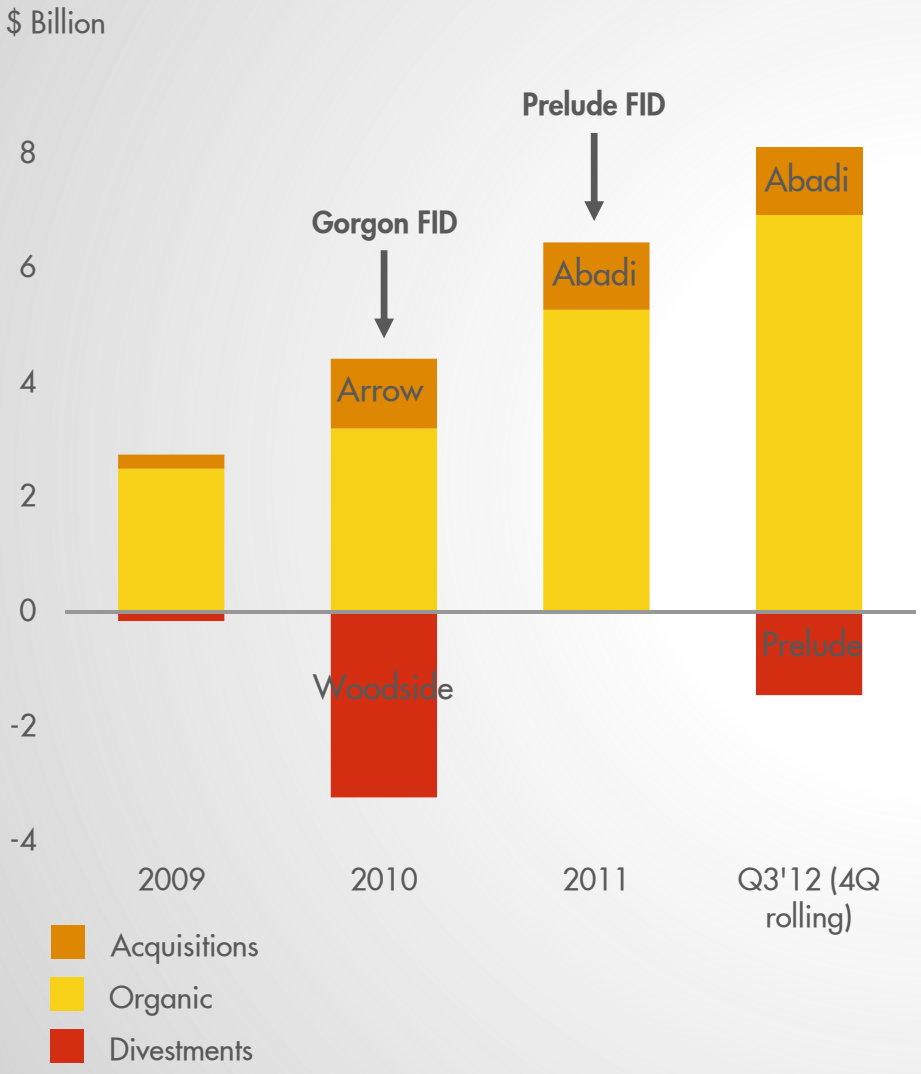
Brunei LNG 1972

First ocean going LNG carrier "Methane Pioneer"

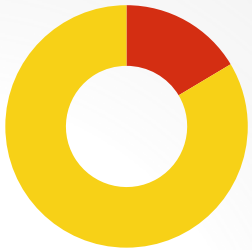


ASIA PACIFIC
MAIN GROWTH ENGINE IN UPSTREAM INTERNATIONAL

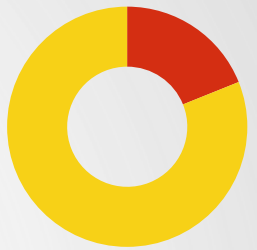
CAPITAL INVESTMENT



OIL & GAS PRODUCTION

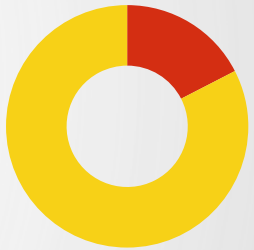


CAPITAL EMPLOYED



EARNINGS

CASH FLOW FROM OPERATIONS



Other Upstream

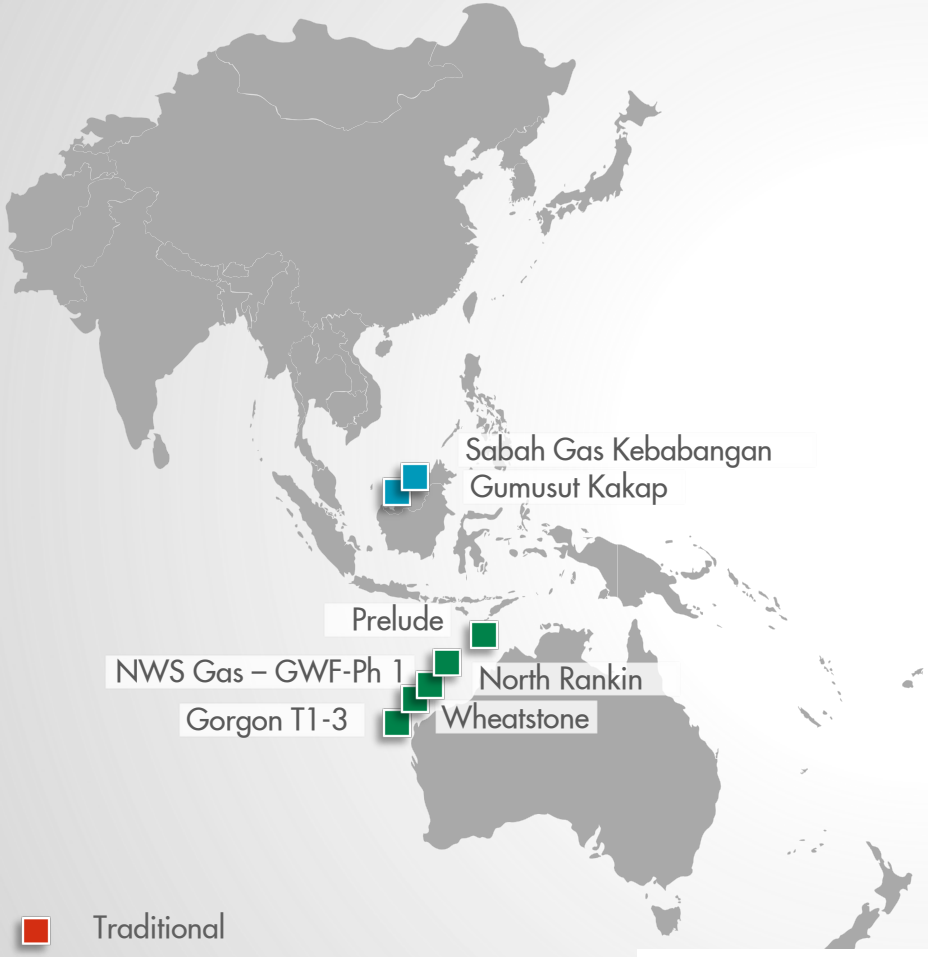
Asia Pacific

Q3'12 (4Q rolling)

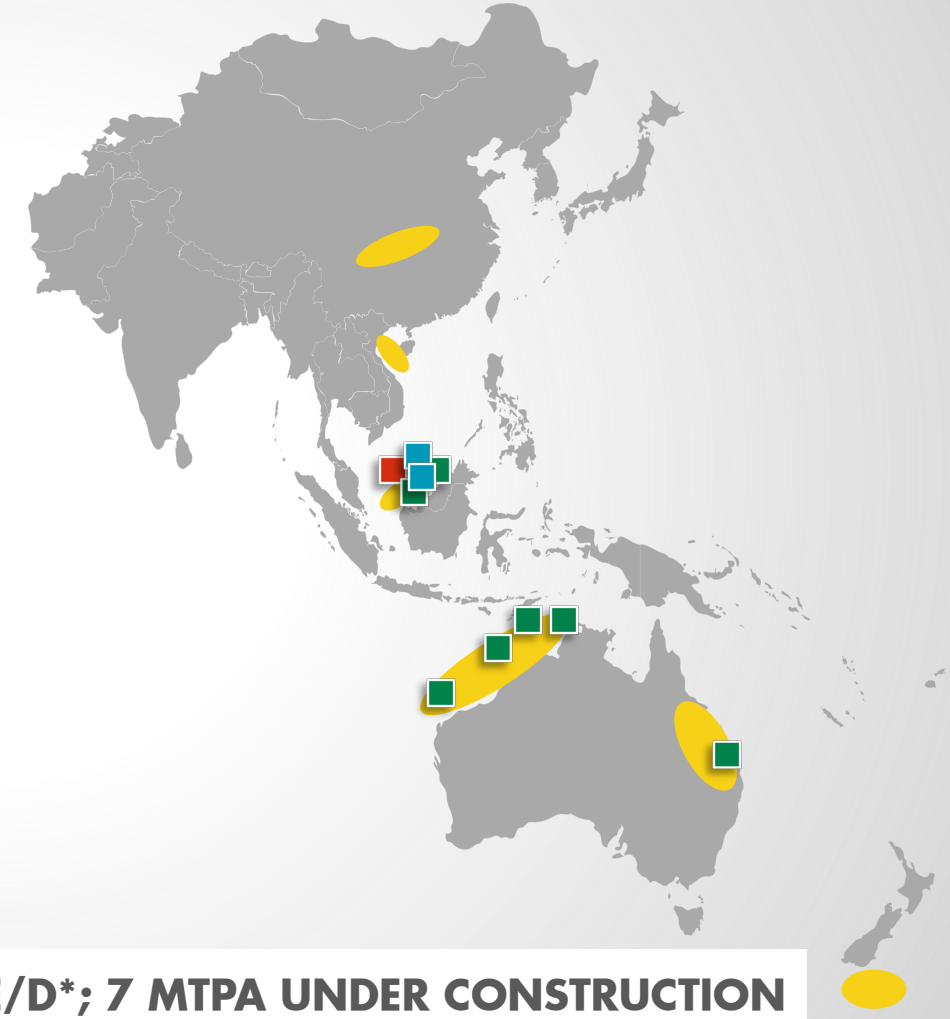
- **CONTINUED INVESTMENT IN HEARTLANDS**
- **NEW INTEGRATED GAS PROJECTS**
- **EXPLORATION OPPORTUNITIES**

ASIA PACIFIC PORTFOLIO DEVELOPMENT

UNDER CONSTRUCTION.....



.... OPTIONS



Traditional

Integrated Gas

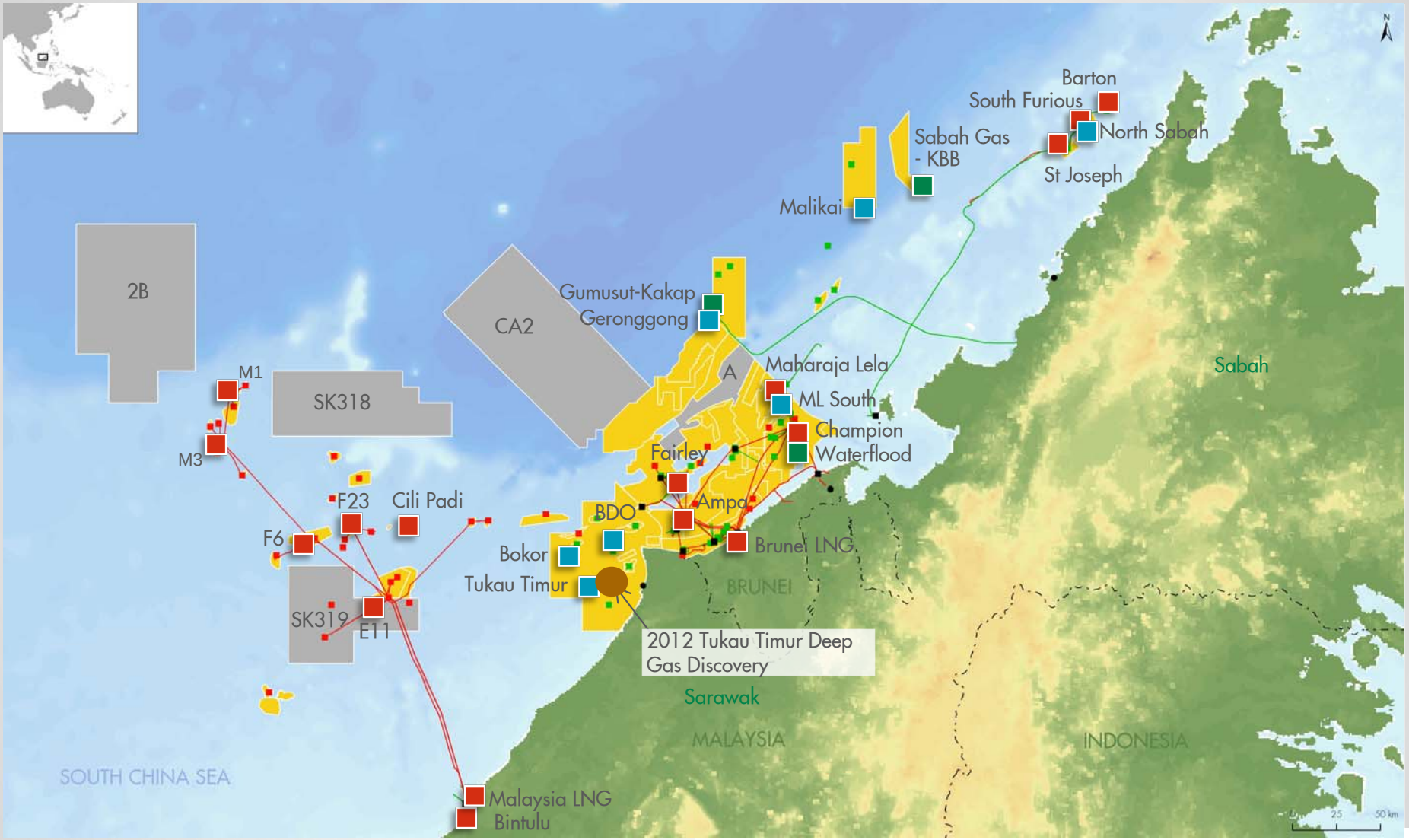
Deepwater

Exploration

365 KBOE/D*; 7 MTPA UNDER CONSTRUCTION
375 KBOE/D*; 11 MTPA OPTIONS

* Production on a Shell working interest basis

INVESTING IN TRADITIONAL HEARTLANDS
MALAYSIA + BRUNEI



On stream
Under construction
Options
Exploration licenses
2010-12 license additions/extensions
Gas
Oil pipelines

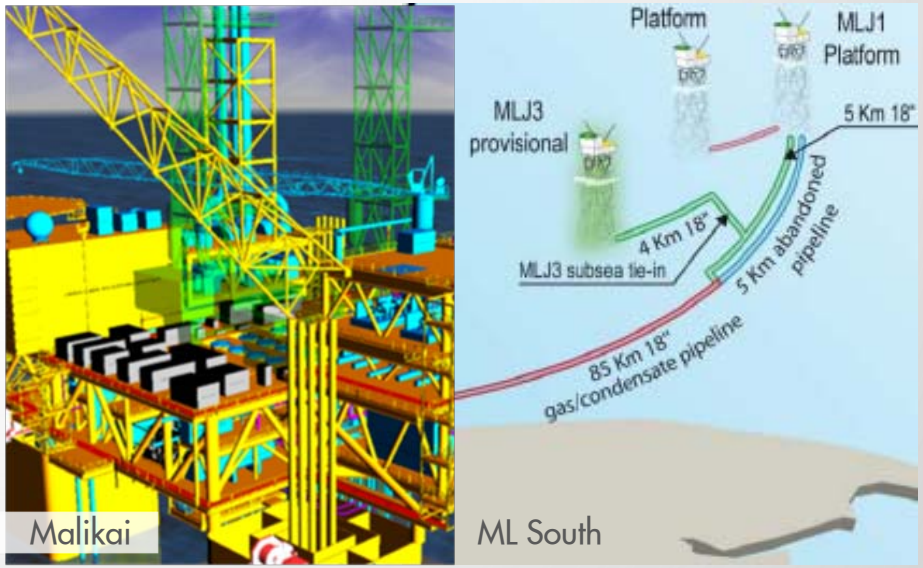
- **NEAR-FIELD COMMERCIALISATION**
- **EXPLORATION REJUVENATION**
- **GROWTH THROUGH TECHNOLOGY**

MALAYSIA + BRUNEI GROWTH HUBS


Gumusut-Kakap

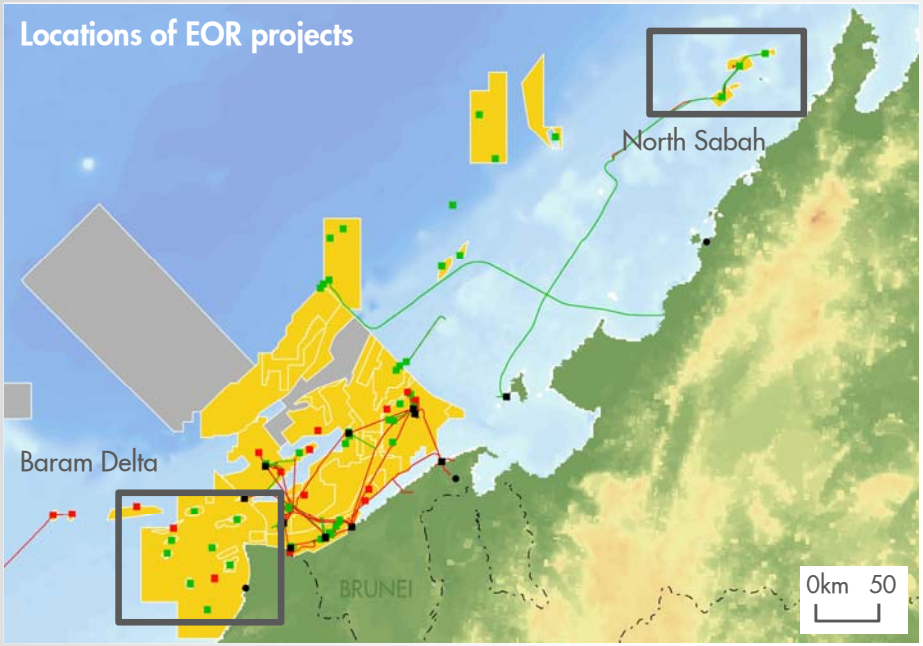

Champion Waterflood

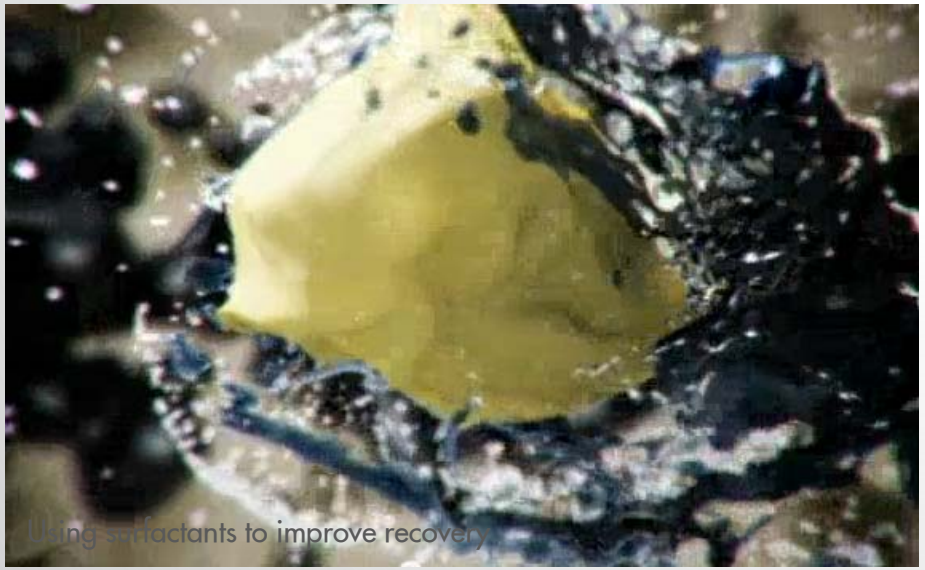

Sabah gas Kebabangan



5 MAJOR PROJECTS >350 KBOE/D (100%)

ENHANCED OIL RECOVERY POTENTIAL




Using surfactants to improve recovery

NORTH SABAH AND BARAM DELTA

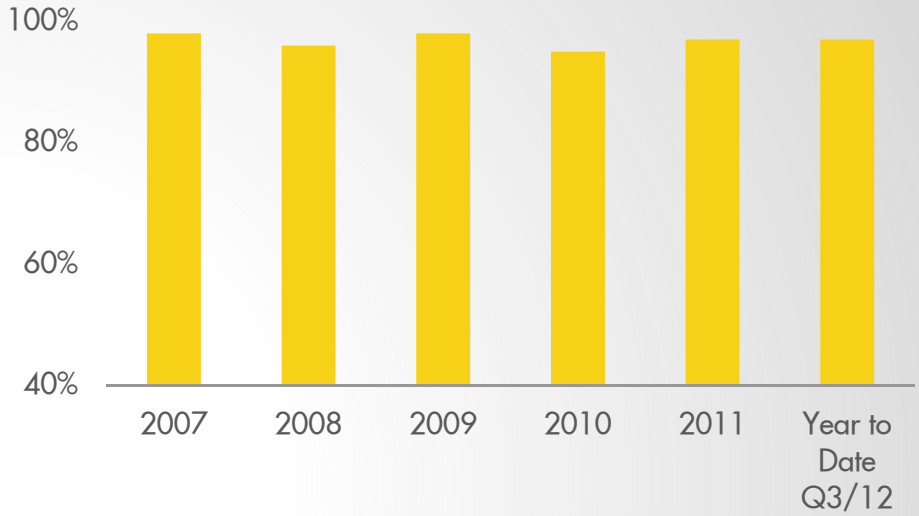
- 2011 agreement to extend PSCs
- North Sabah Shell 50% (operator), Baram Delta Shell 40%
- Advanced technology offshore EOR
- 10% (Baram Delta) & 20% (North Sabah) recovery factor increase
- < 450 million boe new resources

~100,000 BOE/D PRODUCTION
EXTENDED FIELD LIFE >2040

LNG PERFORMANCE

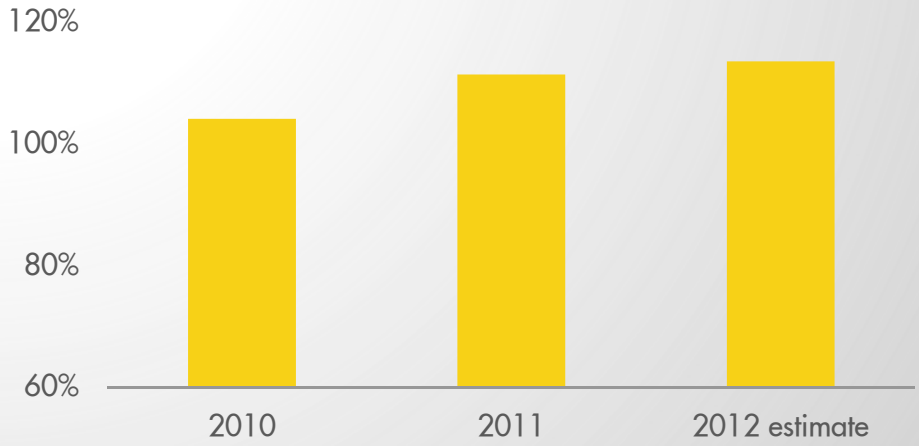

Brunei LNG

GLOBAL LNG PORTFOLIO RELIABILITY



SAKHALIN LNG CAPACITY UTILIZATION

Production as % of nameplate capacity



TOP QUARTILE GLOBAL LNG RELIABILITY PERFORMANCE

NON-OPERATED LNG DEVELOPMENTS

PLUTO LNG

- FID 2009, Shell 21%*
- Production 140 kboe/d
- 4.3 mtpa LNG facility
- Start-up Q2 2012
- Woodside operated

GORGON LNG

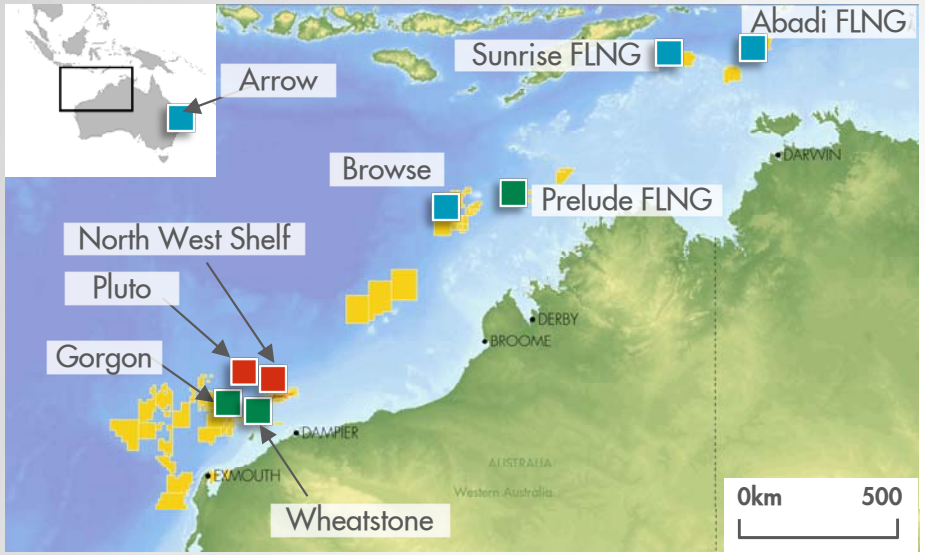
- FID 2009, Shell 25%
- Production 440 kboe/d
- 15.6 mtpa LNG facility (3 trains)
- CO2 injection project (> 3 mtpa)
- Chevron operated

WHEATSTONE LNG

- FID 2011, Shell 6.4%
- Production 260 kboe/d
- 8.9 mtpa LNG facility (2 trains)
- Chevron operated

** Indirect stake via Woodside*

AUSTRALIA/INDONESIA
LNG GROWTH PORTFOLIO



On stream

Under construction

Options

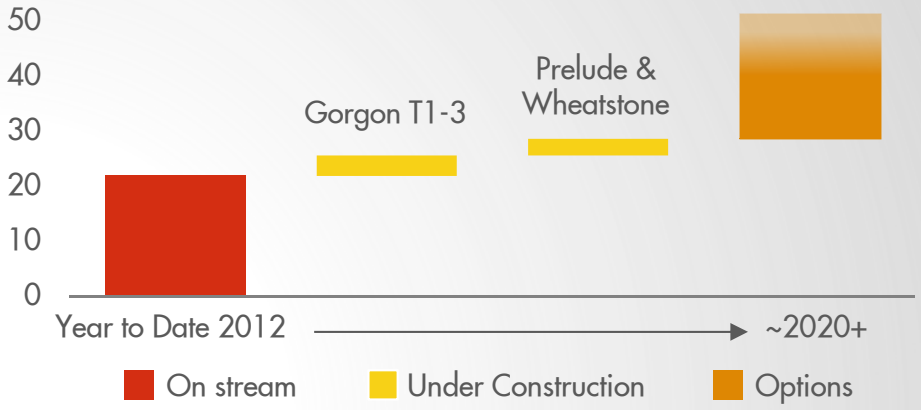
Shell Interest

ASIA/PACIFIC LNG:

- 9 MTPA ON STREAM
- 7 MTPA UNDER CONSTRUCTION

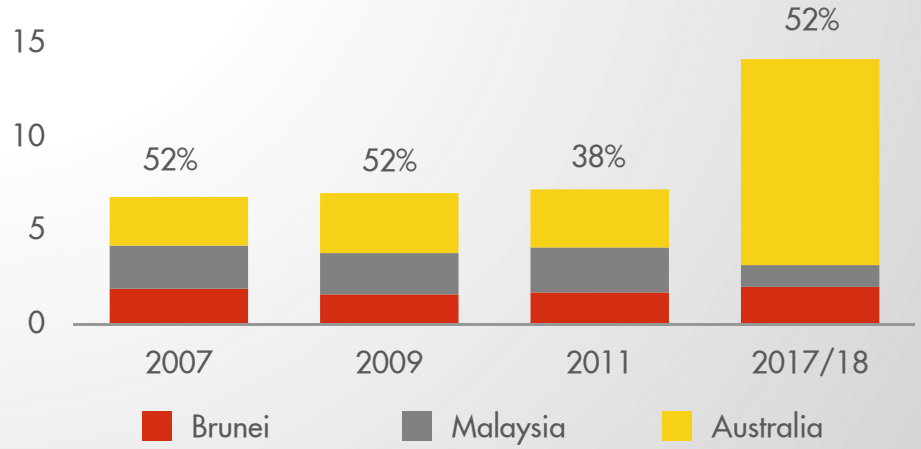
GLOBAL LNG DEVELOPMENT OPTIONS

Mtpa (Shell) nameplate capacity



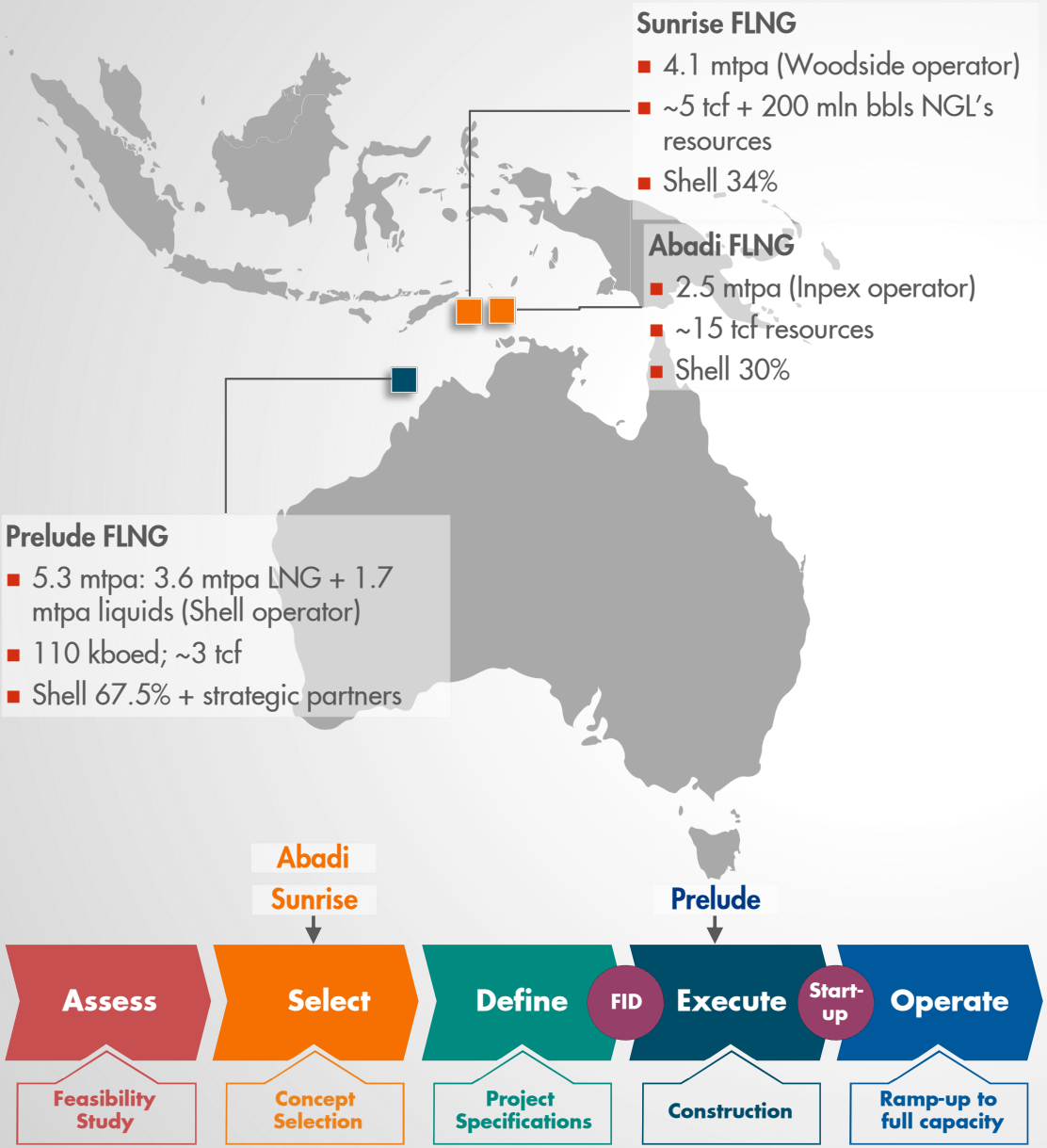
SHELL ASIA PACIFIC LNG VOLUMES

Million tonnes/year sales volumes



% = Asia Pacific of total Shell sales volumes

FLOATING LNG: PORTFOLIO DEVELOPMENT

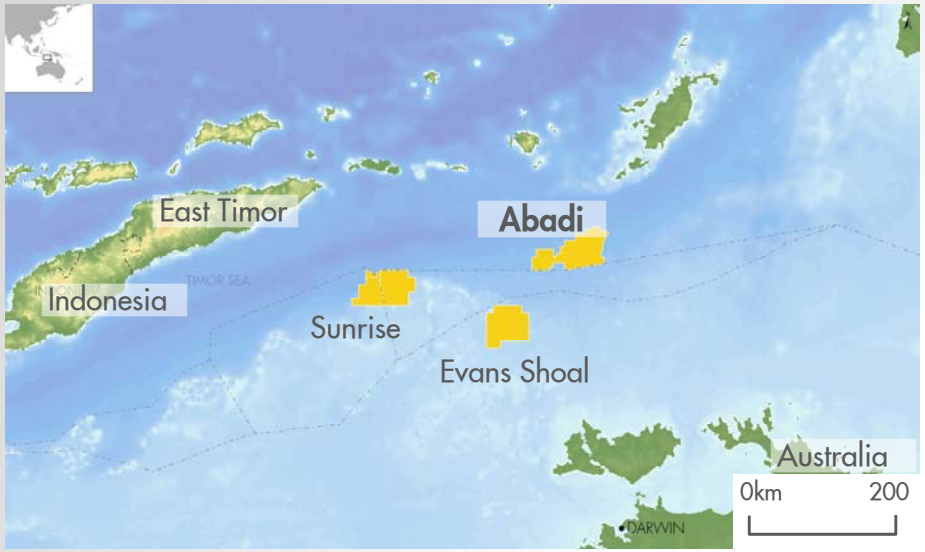


FLOATING LNG LEADERSHIP

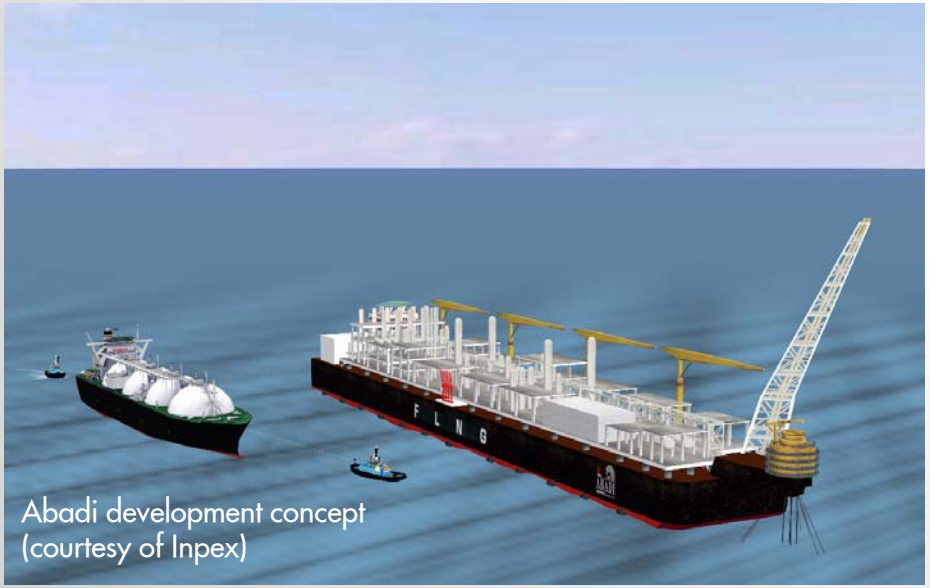
- 2011: FIRST INDUSTRY FID ON FLNG ON PRELUDE
- CONSTRUCTION SOUTH KOREA: OPTIONS FOR FURTHER PROJECTS
- TARGETING NEW EXPLORATION FOR FLNG

SHELL FLOATING LNG

ABADI LNG: INDONESIA



Shell Interest

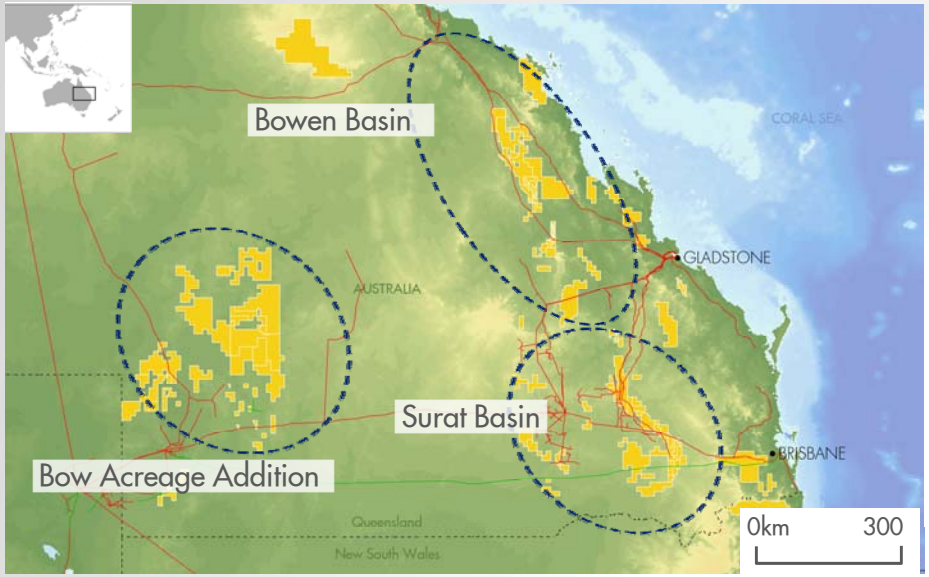


Abadi development concept (courtesy of Inpex)

- Phase 1: FLNG development 2.5 mtpa of LNG
- Preparations for FEED on going
- 2013: drilling ~ 3 wells
- Peak production Phase 1 ~65 kboe/d
- Major gas field >15 Tcf resources
- 400-700m water depth

ABADI: SHELL ENTRY 2011 (30%) FLNG OPPORTUNITY

ARROW ENERGY: AUSTRALIA



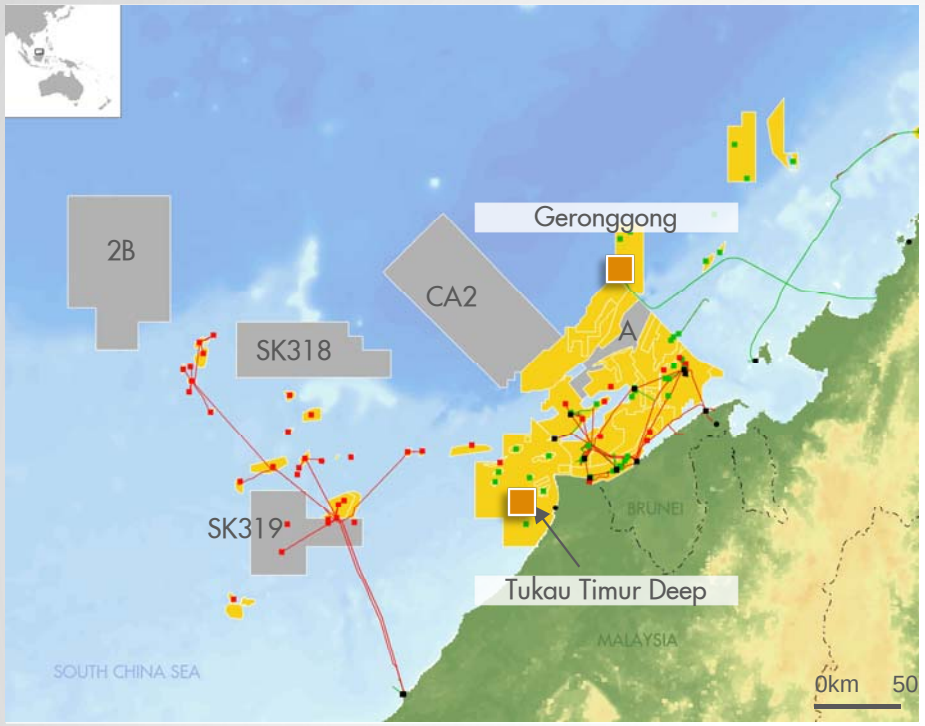
Shell Interest Gas Pipelines

ASSESSING LNG OPPORTUNITY

- Shell 50%
- Currently supplying >15% of Queensland's domestic gas ~ 70 mmscf/day
- FEED on 2 x 4 mtpa LNG project
- Development decisions timed versus local labour & contracting market
- Assessing options with third parties
- Resources ~ 8 tcf (100%)

EXPLORATION ASIA

MALAYSIA + BRUNEI EXPLORATION



Gas Oil pipelines Recent Exploration Success

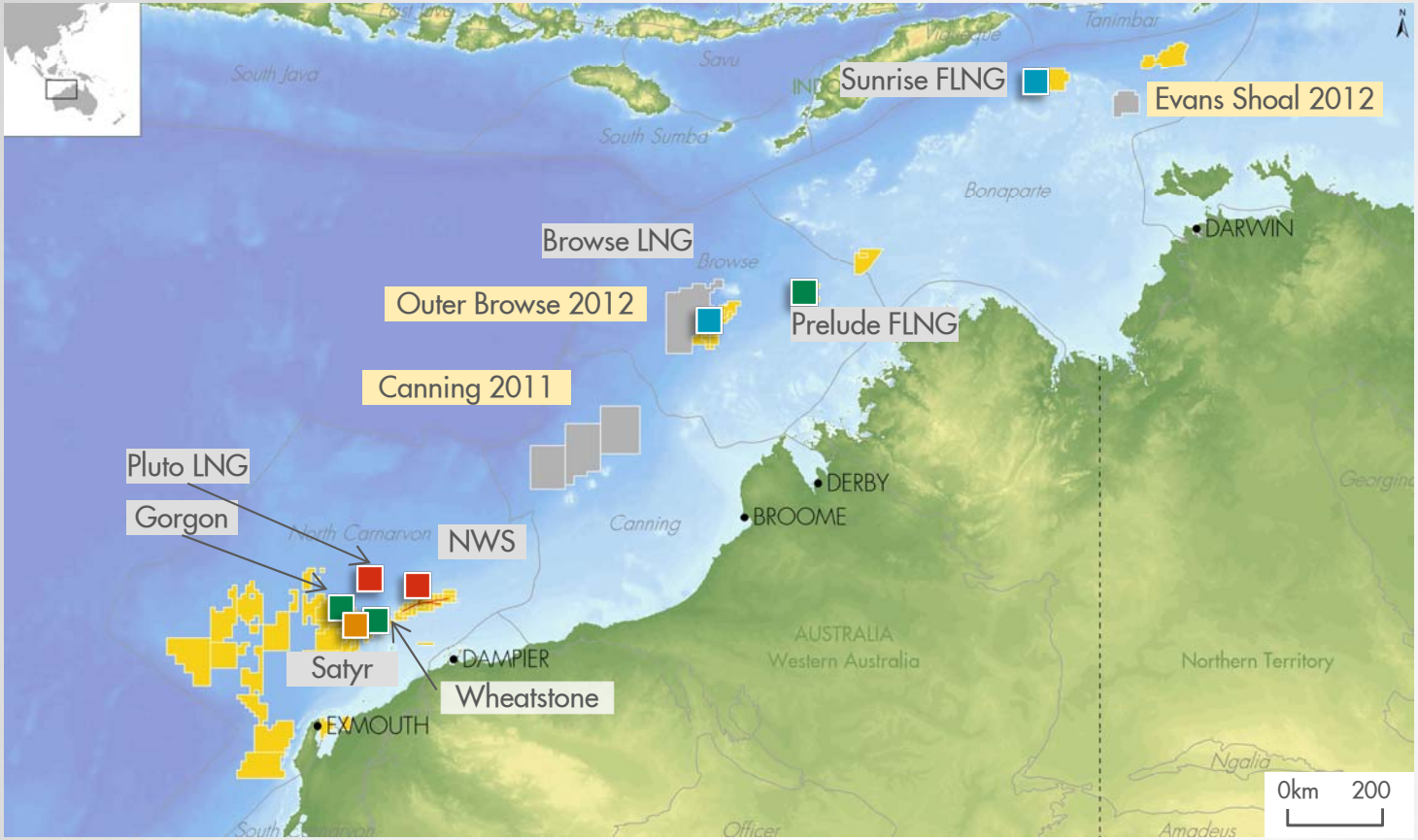
- ~17,500 km2 new acreage in 2010-12
- Large scale 2D and 3D seismic programmes
- > 20 wells in Brunei+ Malaysia in 2013

CHINA OFFSHORE

Exploration licenses 2010-12 license / extensions

- 6,000 km2 in two offshore blocks in 2012
- Shallow water depths, proven gas province
- CNOOC partnership
- 3D seismic acquisition planned for 2013

EXPLORATION – AUSTRALIA NORTH WEST SHELF

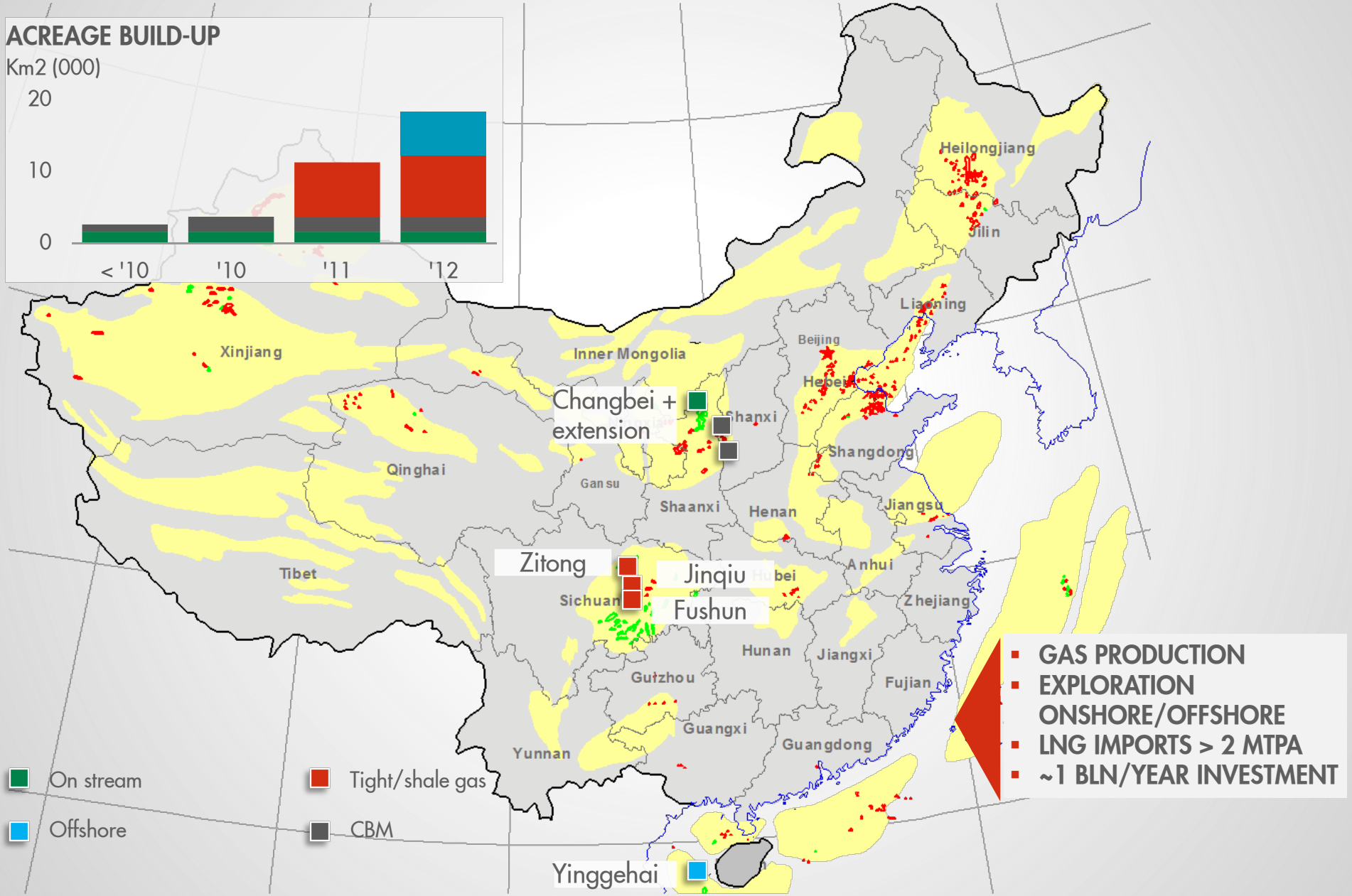


- 12+ Tcf Shell share added since 2005
  - <$1/boe
- 33,000 km2 new acreage added in 2011-12: Canning and Browse
- 2 new gas discoveries in 2012: Satyr 2/4

On stream
Shell licenses
Shell gas pipeline
Under construction
2011-12 additions
Options
Exploration success

CONSISTENT DELIVERY
CONTINUED PORTFOLIO BUILD

SHELL CHINA UPSTREAM PORTFOLIO



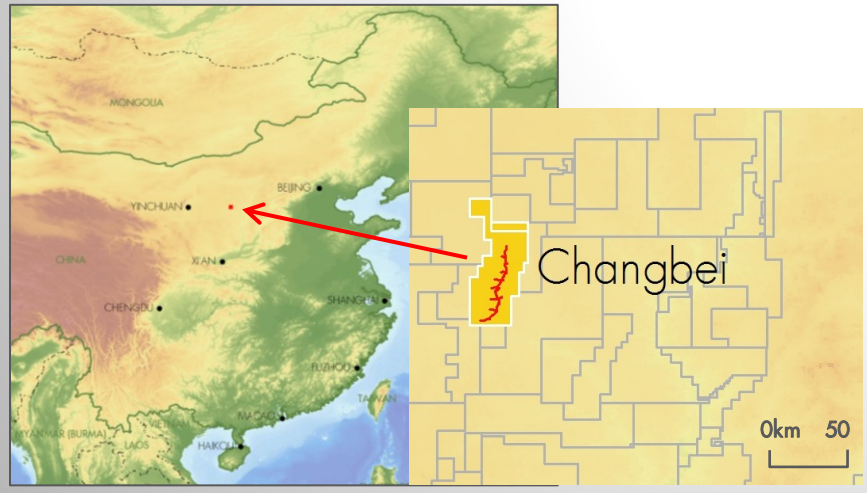
CHINA: CHANGBEI GAS FIELD

CHANGBEI GAS

- 2005: PSC (Shell 50%, PetroChina 50%)
- 2007: commercial gas production
- 2009: Achieved ~300 mmscf/d production 2 years ahead of schedule
- Production Reliability > 95%

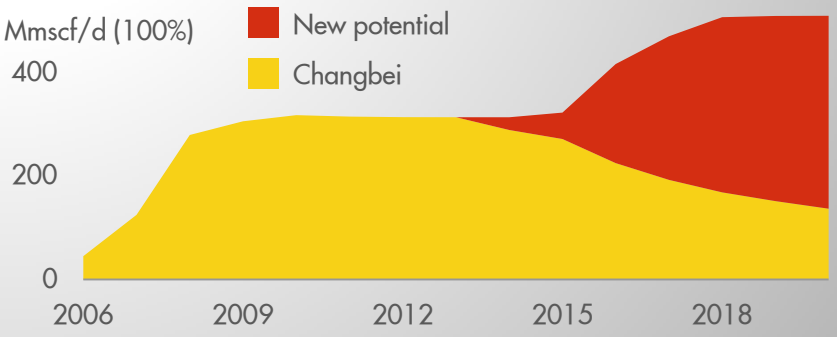
NEW CHANGBEI

- PSC amendment signed July 2012
- Same acreage, new reservoirs
- Appraisal drilling 2013, FID planned 2014



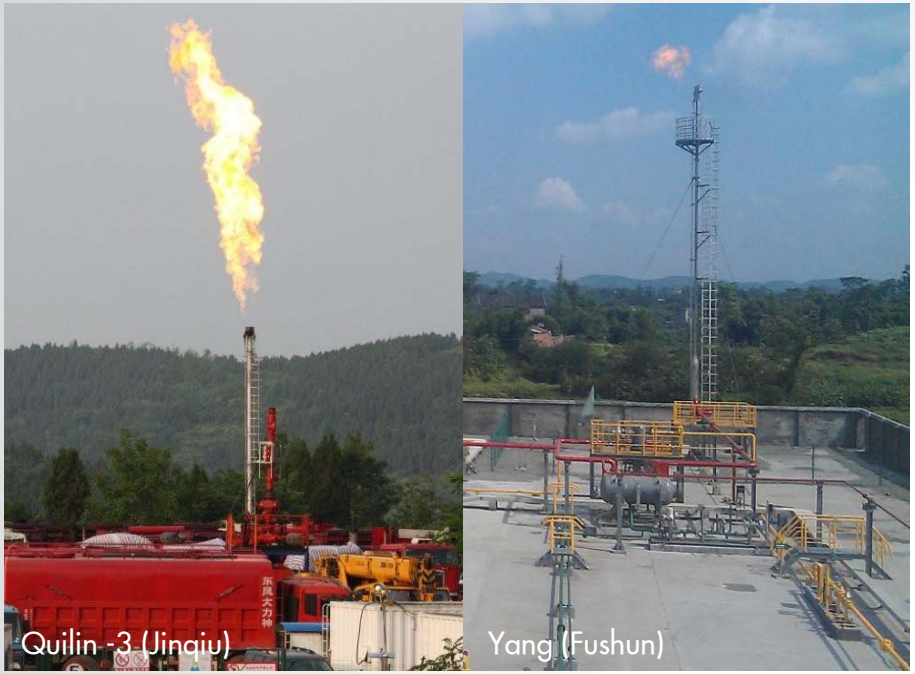
Exploration license

CHANGBEI PRODUCTION POTENTIAL



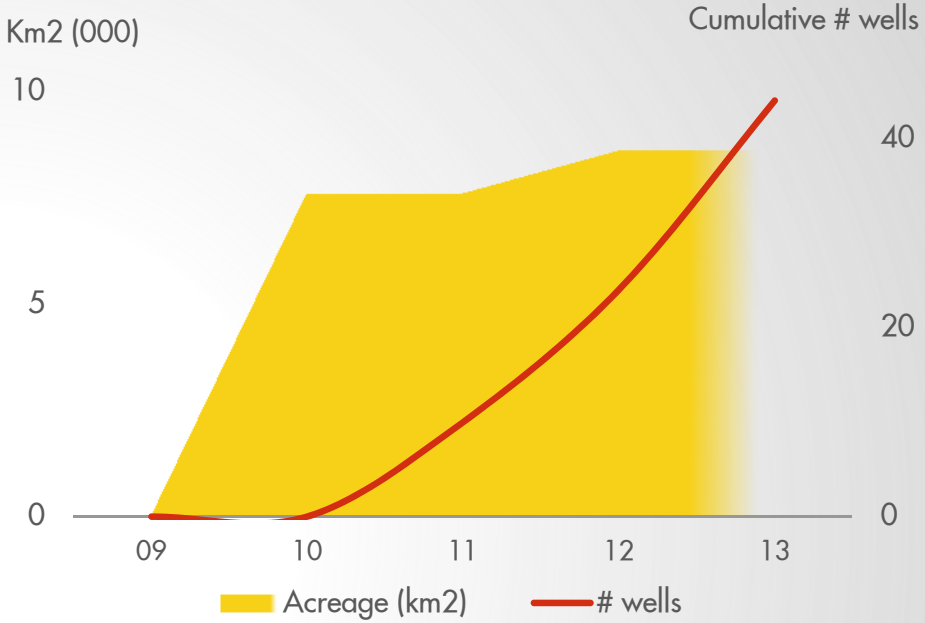
CHINA – TIGHT/SHALE GAS EXPLORATION

EARLY SUCCESS: JINQIU AND FUSHUN



- **STRATEGIC PARTNERSHIPS WITH CNPC**
- **DRILLING JOINT VENTURE WITH GREAT WALL (SIRIUS)**
- **3 LICENSES: ~ 8,500 KM2 (2.1 MILLION ACRES)**

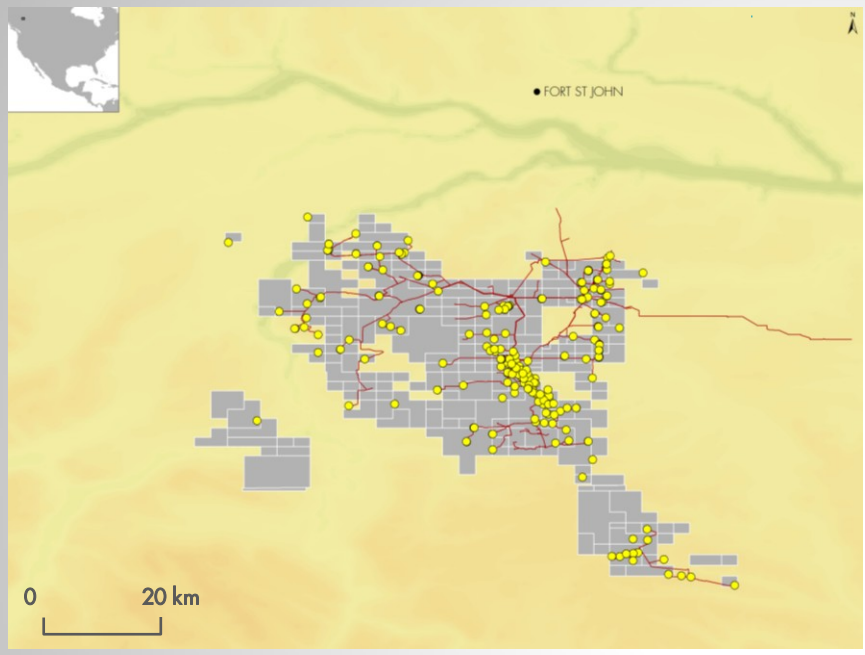
SICHUAN BASIN ACREAGE + ACTIVITY



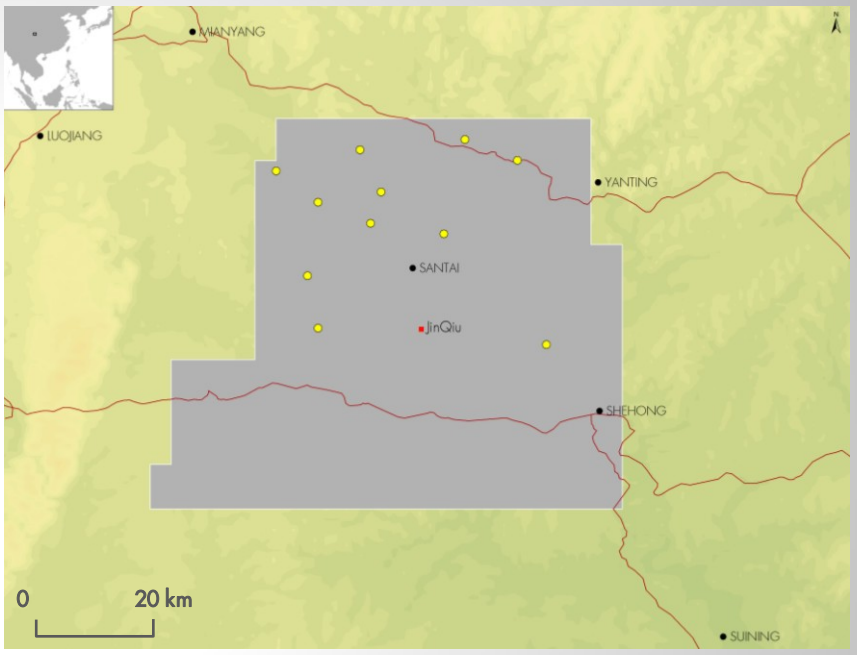
- Acquisition of Zitong block October 2012
- 24 wells 2010-12; 20 planned for 2013
- Drilling results
  - Exploration narrowing down on sweet spots
  - Good quality shale + positive test results
  - Extended flowback testing planned

DEVELOPMENT PACE

CANADA: GROUNDBIRCH



CHINA: JINQIU



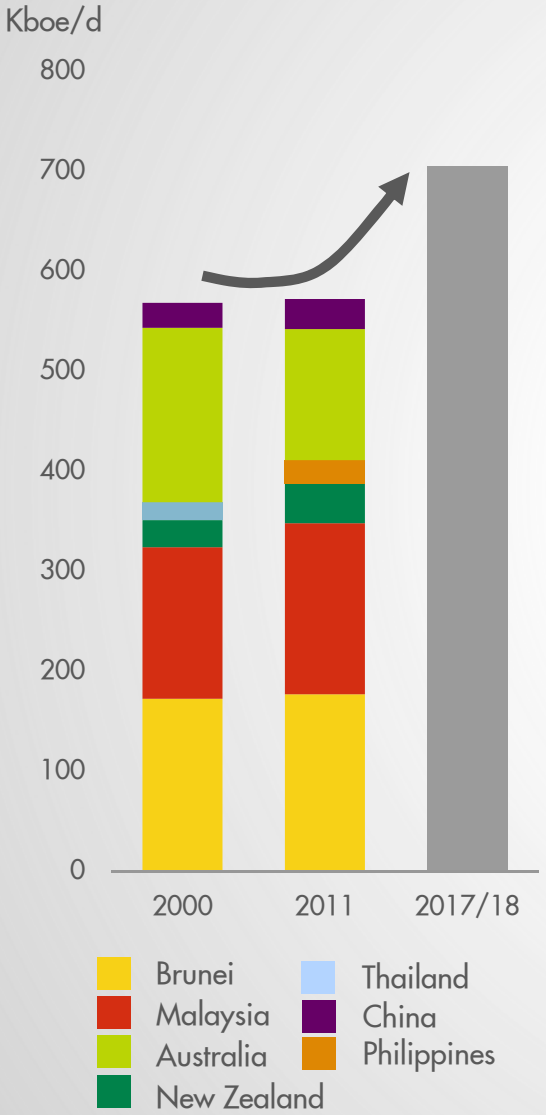
Shell wells | Shell interest | Shell pipelines

- 7 years in development – good geology understanding
- ~ 1,500 industry wells
- Well developed pipeline infrastructure
- Developed rig and fraccing support industry
- Clear regulatory framework (water supply & disposal)

- ~2 years in exploration phase of development
- ~10 industry wells
- Densely populated & developing legal framework
- Developing rig and fraccing support industry
- Water treatment solutions in development
- Limited gas transport infrastructure developed

GROWTH POTENTIAL – ASIA PACIFIC

PRODUCTION + OUTLOOK



NEW GROWTH

- **SUBSTANTIAL UNDEVELOPED RESOURCES**
- **GAS GROWTH OPPORTUNITY**
  - EXPLORATION
  - LNG
  - TIGHT/SHALE

TRADITIONAL HEARTLANDS

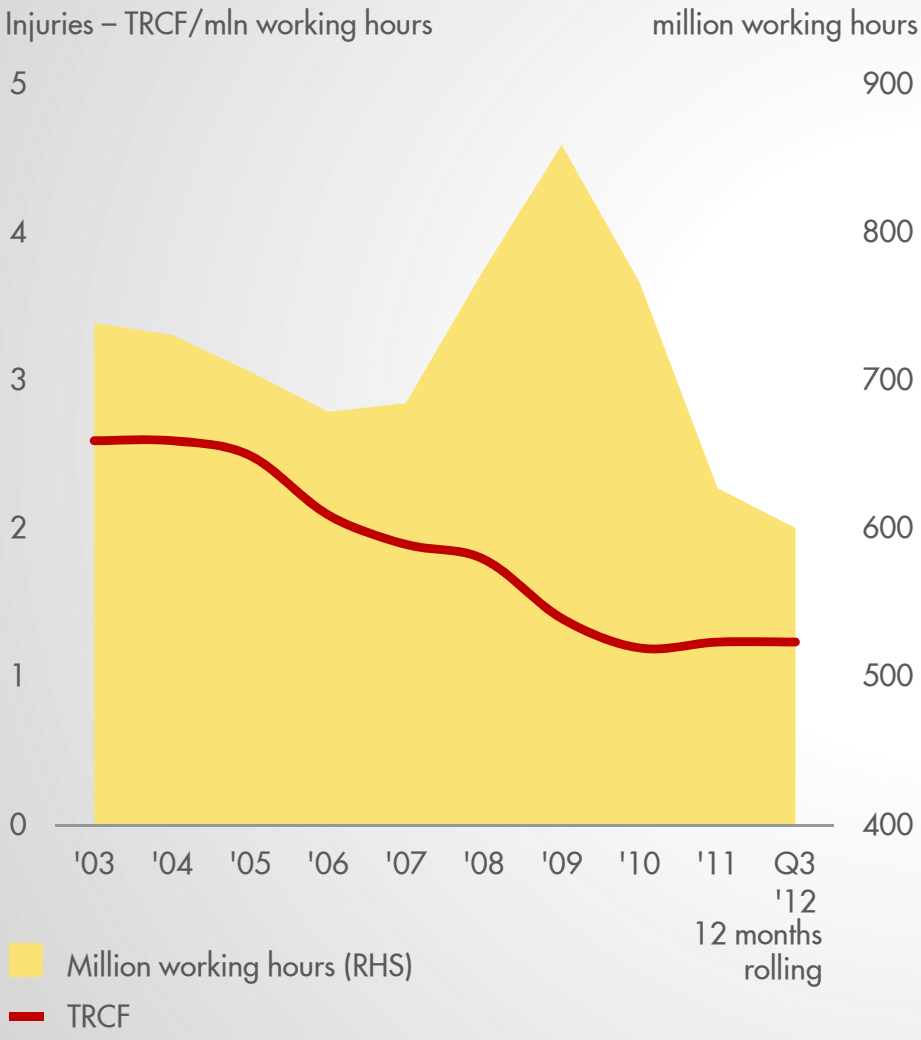
- **SUSTAINING PRODUCTION + ASSET INTEGRITY**
- **HEARTLANDS EXPLORATION**
  - EXTENDING PRODUCTION LIFE
  - SELECTED HUB GROWTH

ROYAL DUTCH SHELL PLC
PROJECTS & TECHNOLOGY

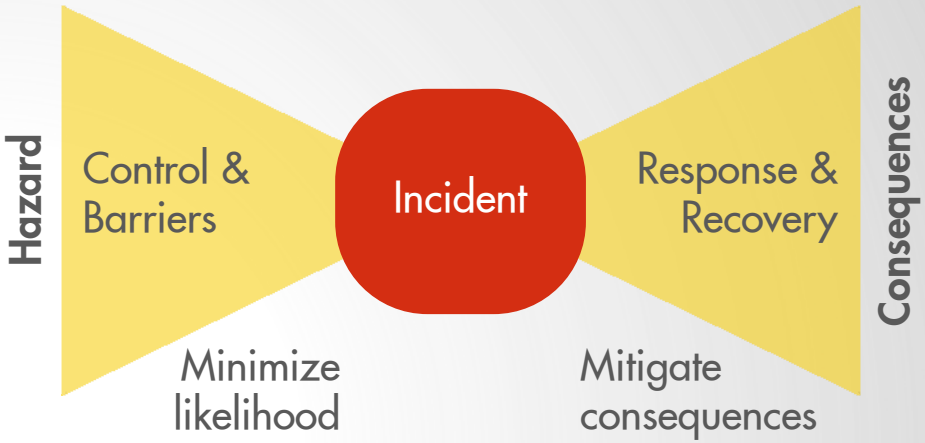
MATTHIAS BICHSEL
DIRECTOR PROJECTS & TECHNOLOGY

SAFETY IN SHELL

'GOAL ZERO' ON SAFETY



SAFE AND RELIABLE OPERATIONS



SAFETY PERFORMANCE

- Personal and process safety
- Rigorous global standards

INTEGRATED PROJECTS & TECHNOLOGY ORGANISATION

CONTRACTING & PROCUREMENT

SAFETY & ENVIRONMENT

INNOVATION R&D

- Right technology
- Performance management

TECHNOLOGY SOLUTIONS & DEPLOYMENT

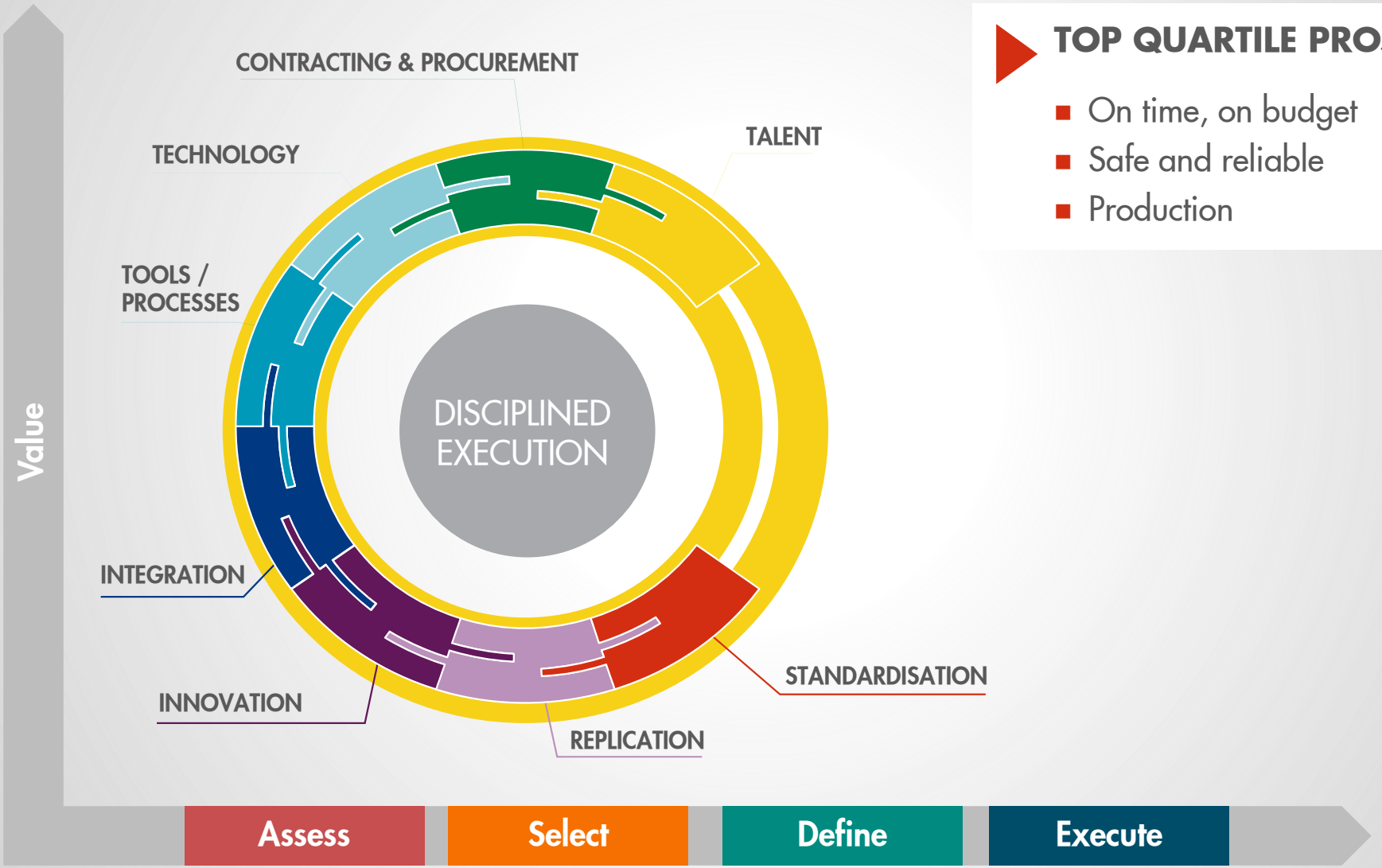
- Right concept
- Implementation and replication

PROJECT EXECUTION

- Design one – Build many
- Top quartile performance

SAFE & RELIABLE

DELIVERING TOP-QUARTILE PROJECTS



TOP QUARTILE PROJECTS

- On time, on budget
- Safe and reliable
- Production

STANDARDISATION : BRUNEI SHELF

FROM BESPOKE...


West Pelaut drilling on Champion West platform

- 2005:
  Champion West
- Water depth: 43m
- FID to 1st HC: 36 months

...TO STANDARDISATION


Mampak platform

- 2008:
  Mampak Block 4
- Water depth: 43m
- FID to 1st HC: 28 months
- Facilities costs: -7%


Installation of Bugan Topsides

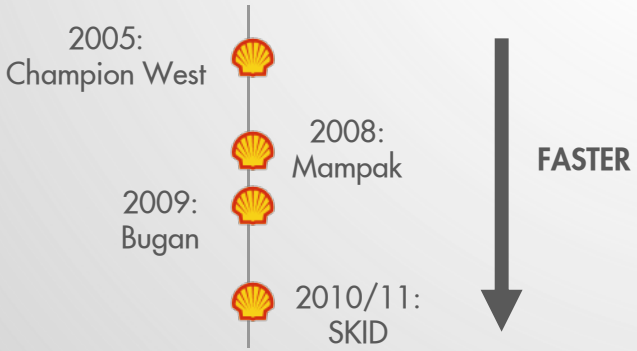
- 2009:
  Bugan Phase 2
- Water depth: 35m
- FID to 1st HC: 22 months
- Facilities costs: -24%


Sail-away of SKID topsides

- 2010/2011:
  Selangkir Ironduke (SKID)
- Water depth: 51m
- FID to 1st HC: 13 months
- Facilities cost: -15%

PERFORMANCE

Schedule improvement

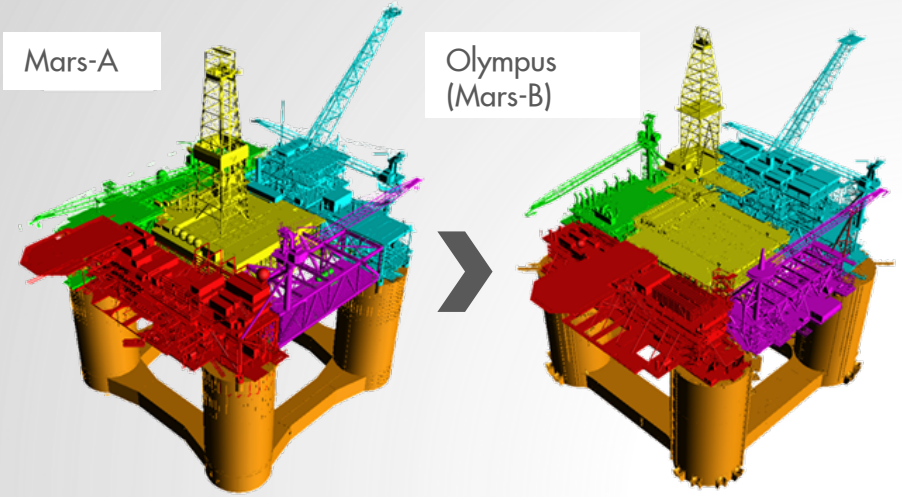


STANDARDISATION THROUGH:

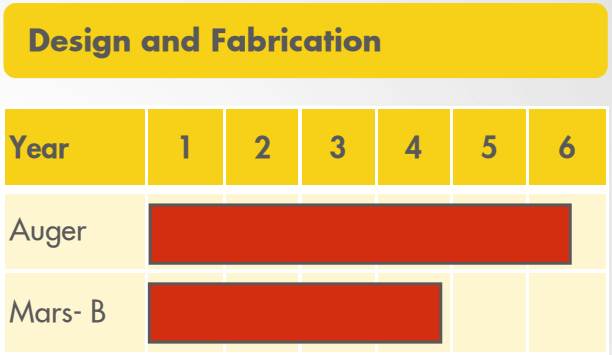
- Framework agreements
- In-house feed
- One fabrication yard and installation contractor

REPLICATION AND REPEAT EXECUTION

REPLICATION AND SIMPLIFICATION



SHELL TENSION LEG PLATFORMS – SCHEDULE IMPROVEMENT



REPEAT EXECUTION

- Continuity of staff
- One design and subsea contractor
- In-house engineering

BEST IN CLASS BY LEVERAGING REPLICATION


1993
AUGER

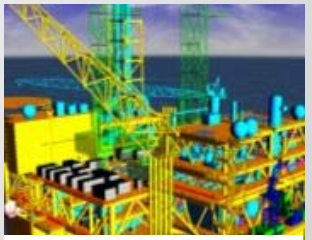

1996
MARS-A


1997
RAM-POWELL


1999
URSA


2001
BRUTUS

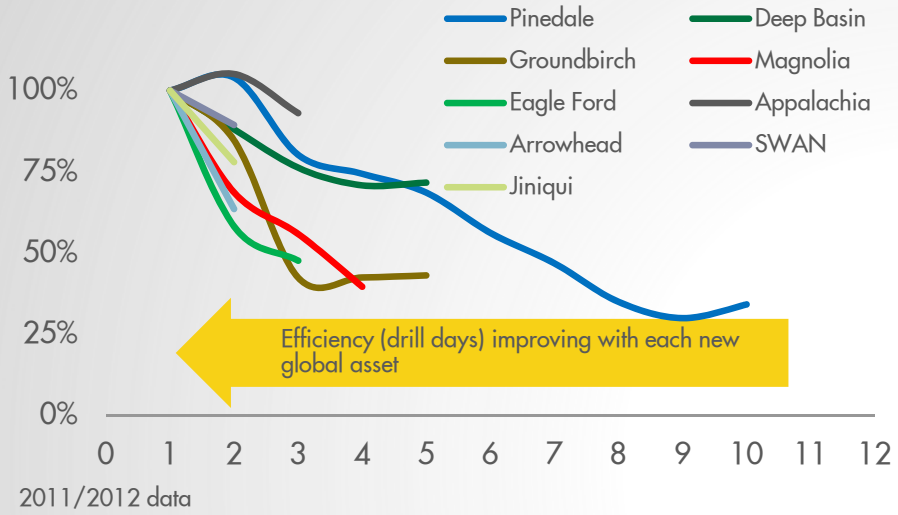

OLYMPUS


MALIKAI

BENCHMARKING & CONTINUOUS IMPROVEMENT

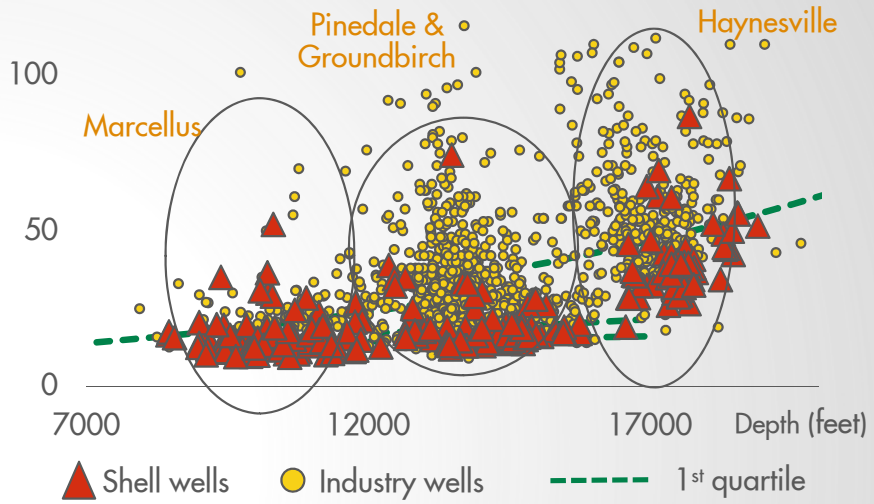
DRILLING LEARNING CURVE

Indexed well delivery time per year since first production

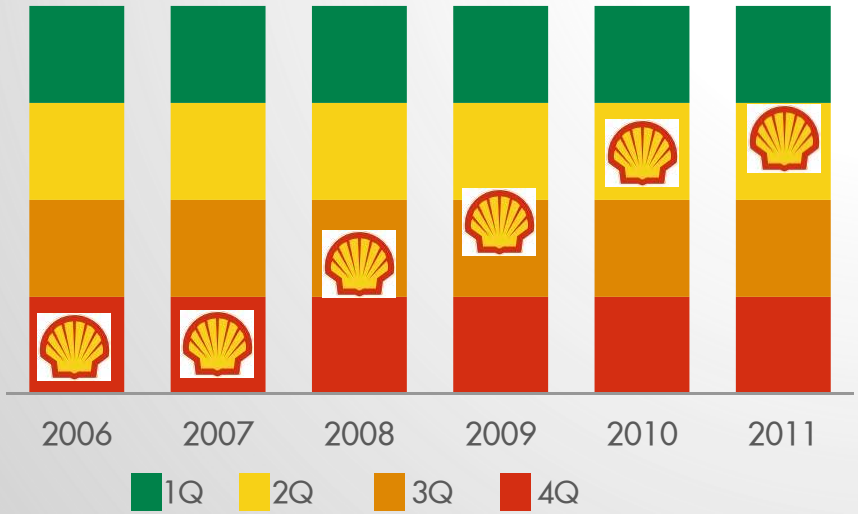


DRILLING BENCHMARKING

Quartile performance curves – days versus measured depth



UPSTREAM FACILITIES COMPONENT COST (IPA)



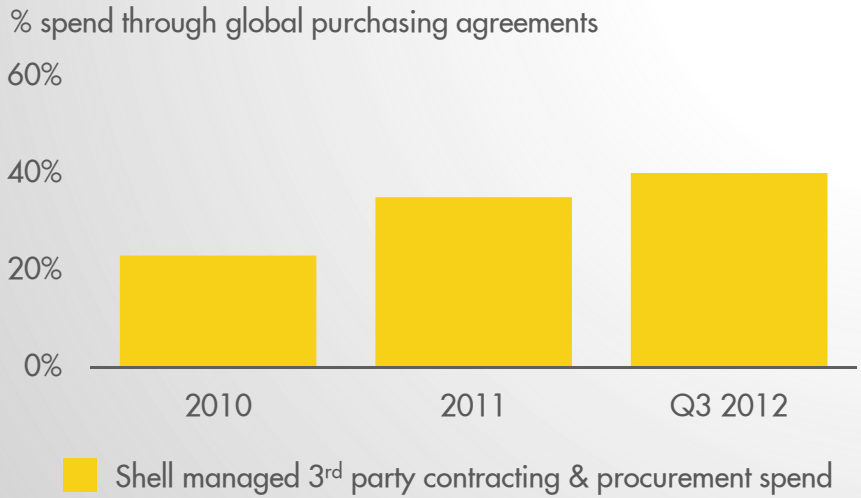
- **CONTINUOUS IMPROVEMENT IN FRONT-END LOADING**
- **TRANSFER OF KNOWLEDGE AND INNOVATIONS**
- **DISCIPLINED DELIVERY**

CONTRACTING & PROCUREMENT
COSTS

LOW COST COUNTRY SOURCING

- Shell no.1 IOC in sourcing from China
- 20 to 25% savings
- 14 global agreements awarded in China and 2 in India
- Example: fabrication agreements demonstrate 20 to 40% savings

GLOBAL PURCHASING AGREEMENTS



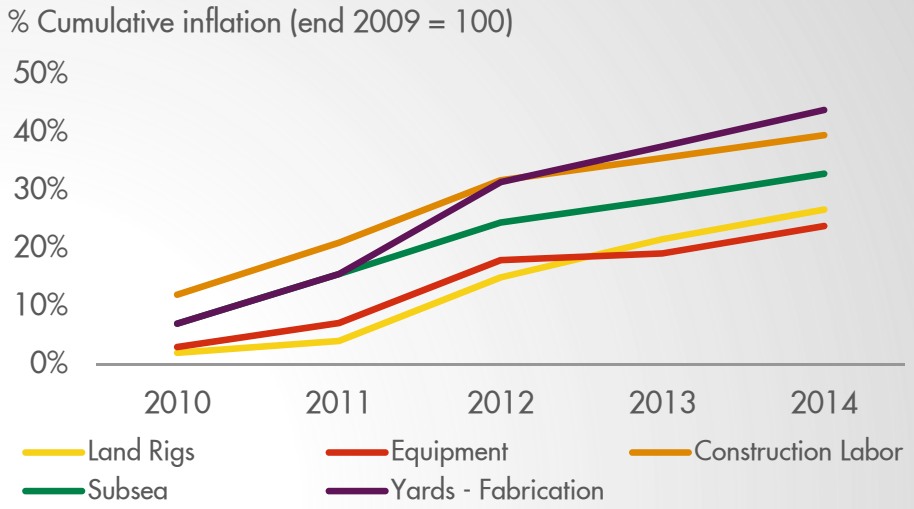
- Significant value opportunities
- External benchmarking confirming price competitiveness of global purchasing agreements
- Example: metal pipes 15% to 50% below market

COST MANAGEMENT IN AUSTRALIA

MITIGATE COST INFLATION IN AUSTRALIA

- **Off-shoring:**
  Floating LNG
- **Project phasing:**
  Arrow LNG
- **Technology:**
  New onshore drilling concepts for Arrow
- **Contract management:**
  Leveraging global purchasing agreements

INDUSTRY COST INFLATION: AUSTRALIA



Source: IHS/CERA


Noble Clyde Boudreaux rig arriving in Australia


Arrow Australia: compression station

CONTRACTING & PROCUREMENT
COMPETITIVENESS: DEEPWATER RIGS

COMPETITIVE DEEPWATER RIG RATES

Deployment of Bully-1 and Globetrotter-1 rigs

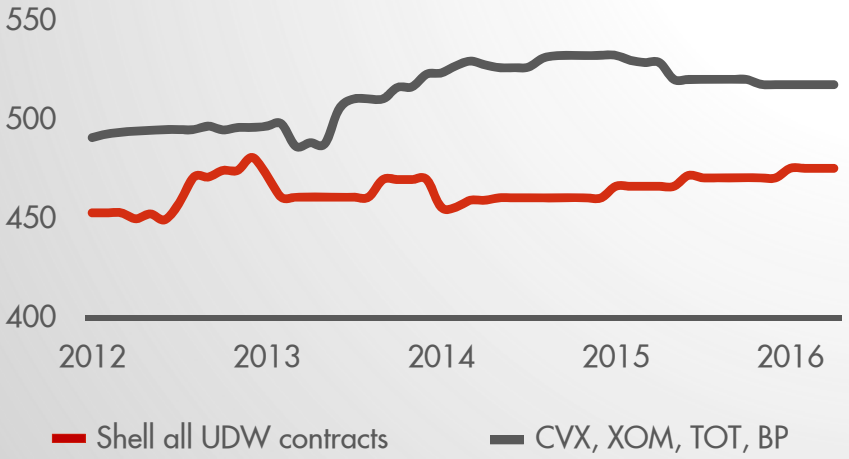
ULTRA DEEPWATER RIG MARKET (CONTRACTS > 3 YEAR)

Operating day rate ($000)

Source: IHS Petrodata, drilling contractor investor news items

DEEPWATER RIGS COMPETITIVE POSITION

Day rate in '000 USD



COMPETITIVE DEEPWATER RIG RATES

- Long-term demand management: 23 rigs under contract
- New rig technology; selective ownership
- Standardization

WELLS MANUFACTURING JV: SIRIUS

TIGHT/SHALE/CBM DRILLING

Movable rig design

50/50 CNPC/SHELL JOINT VENTURE

- Drilling efficiency
- Contracts signed with Arrow, Australia in August 2012; Opportunities in China and North America
- Staff: 200 in 2012 expected to increase to 1,900 by 2016
- Purpose-built :
  - 2012: 6 automated drilling rigs and 1 fracturing unit
  - 2013 – 2015: ~50 rigs and fracturing units

TARGET HIGH DENSITY DRILLING & RESOURCE-INTENSIVE PLAYS

- Achieve ultra low-cost wells
- Leveraging capabilities both partners

PRELUDE FLNG PROJECT –UPDATE

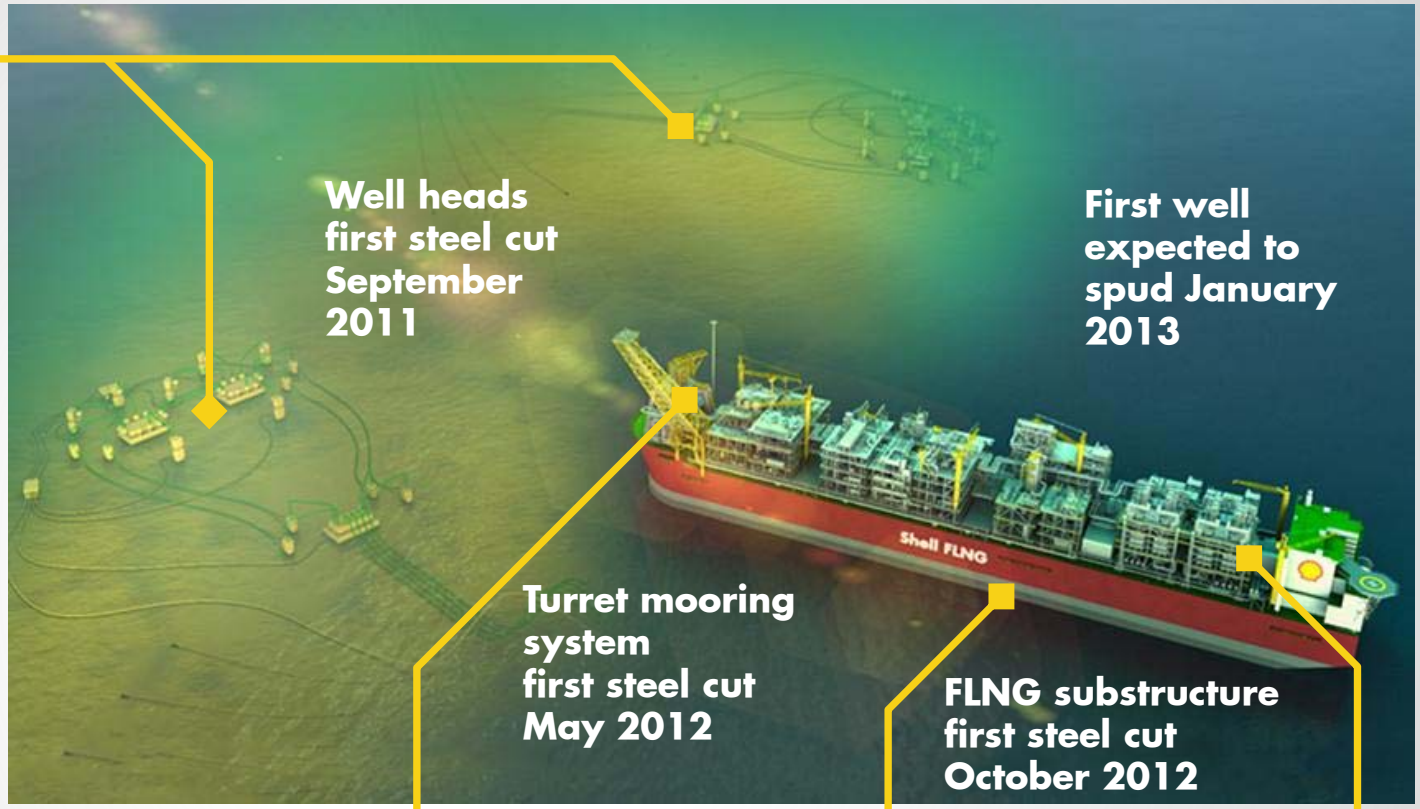
Subsea and wells

AUSTRALIA
Technip Oceania
(offshore installation)

Noble Clyde
Boudreaux
(drilling rig)

NORWAY
FMC Technologies
(subsea control
module)

MALAYSIA
FMC Technologies
(subsea Xmas trees
& subsea manifolds
wellheads)



FLNG detailed design and engineering

FRANCE, MALAYSIA AND INDIA
Technip Samsung
Consortium

Turret Mooring System construction

DUBAI
SBM
Subcontracted to
DryDocks World

FLNG substructure and topsides construction

KOREA
Samsung Heavy
Industries shipyard

FLNG boilers construction

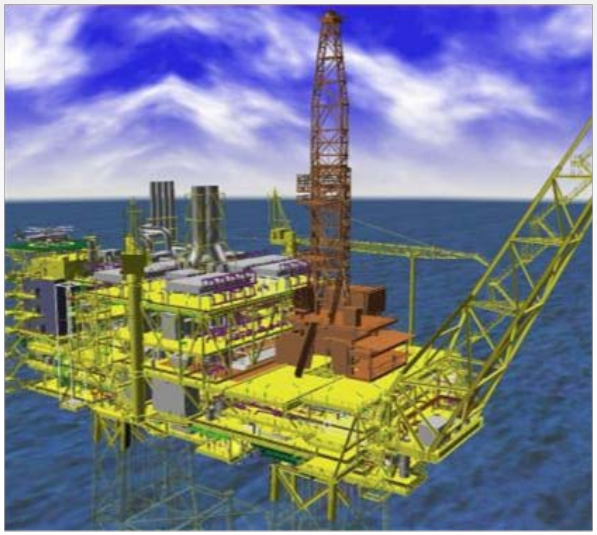
JAPAN
Kawasaki Heavy
Industries
(Marine steam boilers)

PROJECT PROGRESS IN MALAYSIA

GUMUSUT-KAKAP

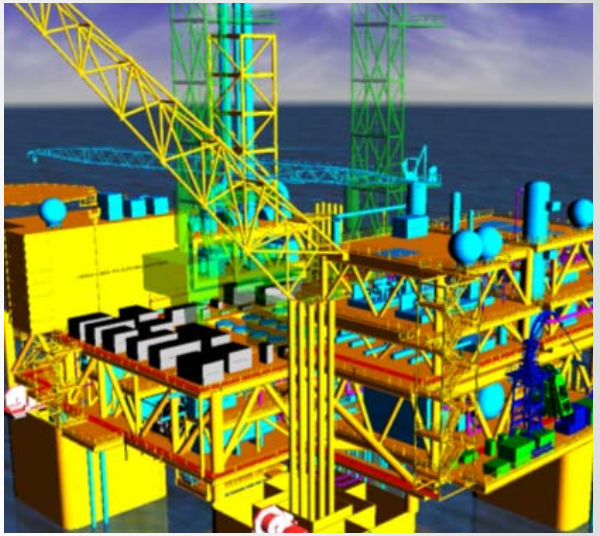
- Floating Production System oil & gas facility
- Early production opportunity (Q4 2012): 2-well subsea tie back to the Kikeh FPSO facilities
- Topsides and hull fabrication MMHE yard
- 135 kboe/d; Shell 33% (operator)

SABAH GAS KEBABANGAN



- Integrated oil & gas production platform hub
- Gas/oil exported via KBB pipelines to the Petronas Carigali Sabah Oil & Gas Terminal
- Pipelay installation completed September 2012
- Jacket fabrication Kencana HL yard
- Topsides fabrication MMHE yard
- 130 kboe/d; Shell 30%

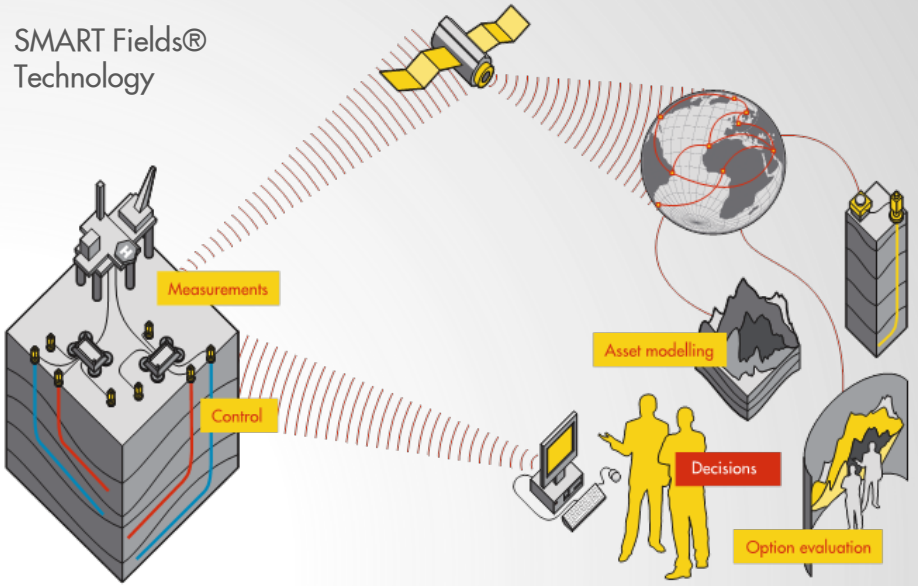
MALIKAI

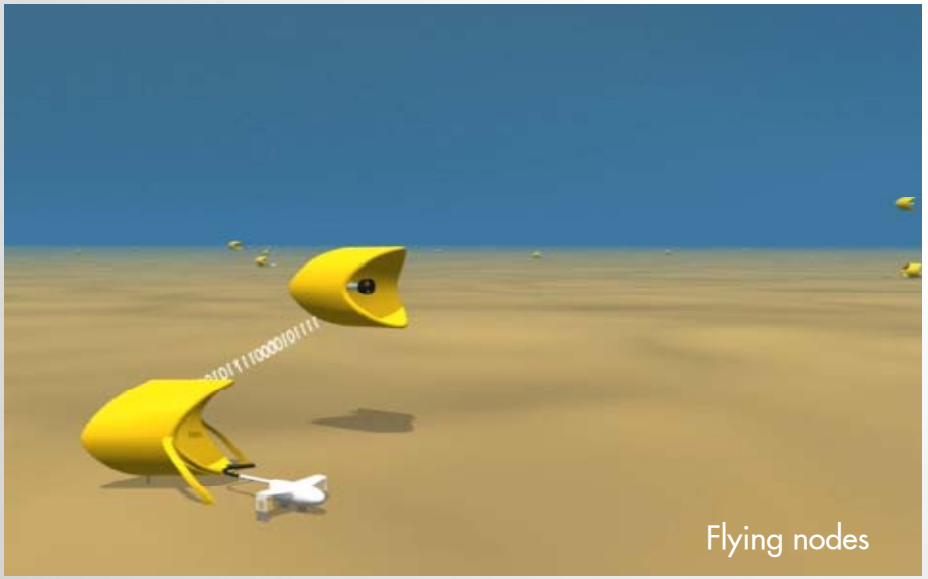


- 1st Tension Leg Platform (TLP) in Malaysia
- 17 wells, oil producers & water injectors
- FID pending
- 60 kboe/d; Shell 35% (operator)

DELIVERING NEW TECHNOLOGY

Micro-electro-mechanical systems (MEMS)




Flying nodes


Solar Steam for EOR

INNOVATING FOR THE FUTURE

GLOBAL REACH AND CAPABILITIES

- **FLEXIBLE ORGANISATION AND PEOPLE CAPABILITY**
- **DISCIPLINED DELIVERY...WITH INNOVATION EMBEDDED**
- **DIFFERENTIATING TECHNOLOGIES**
- **DEPLOYMENT OF TECHNOLOGY AT SCALE**

ROYAL DUTCH SHELL PLC
INVESTOR UPDATE

LONDON
NOVEMBER 14, 2012