

Vereniging van Effectenbezitters
Postbus 240, 2501 CE Den Haag
Bezoekadres: Amaliastraat 7, Den Haag

Tel.: +31 (0)70 313 00 00
Fax: +31 (0)70 313 00 99
Internet: www.veb.net
E-mail: info@veb.net

To: The Members of Euroshareholders
From: Dutch Shareholders Association VEB
Re: Update Shell Settlement
Date: April 2008

Introduction

A. First settlement (non-US)

On 11 April 2007 VEB, Royal Dutch Shell plc ("Shell"), the Stichting Shell Reserves Compensation Foundation (a non-profit specially incorporated for this target) and some institutional investors announced a settlement not extending to the United States covering the problems surrounding the 2004 adjustment of Shell's proven oil reserves.

Without making any admission of fault, Shell agreed to make a payment of \$340.1 million to those investors covered by the settlement. These are European and other non-US investors in Shell.

The main lines of this settlement are the following:

- Shell will pay \$340.1 million to those investors not domiciled in the United States having made purchases outside the US during the 8 April 1999 – 18 March 2004 period. The amount allocated will be proportionate to the number of shares.
- Shell will also make available an additional \$12.5 million to encourage private investors to participate in the settlement and the compensation scheme. This amount will be allocated equally amongst those investors with a claim and making an application. Current estimates suggest that this will come to a fixed distribution of about \$130 (€85) for every investor taking part.
- The institutions affected and the VEB will drop all current and future legal proceedings against Shell related to the reserves issue.
- Shell will lodge an application with the SEC requesting that the \$120 million penalty Shell paid in 2004 be distributed to investors under the compensation scheme. If the SEC accepts Shell's proposal, some 80% of this sum will go to investors outside the US.

On that basis the parties to the settlement lodged on 11 April 2007 a petition with the Amsterdam Court of Appeal under the Dutch Class Damages Procedures Act requesting that the settlement, together with the compensation destined for past and present shareholders, be declared binding upon all parties. These proceedings provide for an opt-out option for past and present shareholders who, though affected by this settlement, do not concur with it. On 12 July 2007 the Amsterdam Court of Appeals held a first hearing only for parties and their legal advisors in order to agree on some procedural matters.

B. Second settlement (US)

On 6 March 2008 Shell announced that it has also reached a settlement with US investors covering the problems surrounding the 2004 adjustment of the company's proven oil reserves.

This second settlement also means good news for investors not domiciled in the United States:

- an additional amount of some \$28 million will be available for distribution outside the US.
- Furthermore, all affected investors will be paid interest, with effect from 1 April 2008, on the compensation amount they are entitled to.

The additional compensation results from the agreement the VEB reached with Shell to cover a potential situation in which US investors receive higher compensation than those not domiciled in the United States.

The settlement agreement, the petition and all other relevant documentation can be found on the VEB website www.shellcompensation.com.

Procedure

On 29 February 2008 the parties to the settlement filed an amended petition at the Amsterdam Court of Appeal with additional information on the settlement, the parties and its representativeness. A copy of the amended petition should be available shortly on the Foundation website at www.shellsettlement.com.

The Amsterdam Court of Appeal has (with reservation) communicated the following dates for the procedure to the parties:

- Not later than 16 May 2008: notification of the procedure and the filed petition to shareholders
- Not later than 9 October 2008: filing of statements of defence for those who object to the settlement
- Not later than 7 November 2008: filing of statements of the requesting parties to the statements of defence
- 20 (and 21) November 2008: hearing at the Amsterdam Court of Appeal
- Beginning of 2009: judgement by the Amsterdam Court of Appeal
- Mid 2009: claim administrations and payment of compensations

A. Notifications

The VEB will inform the members of Euroshareholders on the way public and private notifications will be made to shareholders in the various countries as soon as this information is available.

B. Plan of Allocation, Claim administrator and Opt-out

The petition filed refers to a plan of allocation and a proposal for a claim administrator that will handle the claims of shareholders. With its judgement on the petition (to be expected beginning 2009) the Court will also render its judgement on the plan of allocation and the suggestion for a claim administrator.

With its judgement the Court will also decide on the period and procedure for those shareholders who would like to opt-out of the settlement.

Public relations

At present VEB (on behalf of itself and of Euroshareholders), the Foundation and Shell are working on a public relation plan in order to inform investors on the settlement and to encourage them to file their claims *as soon as the settlement has been declared binding*.

The VEB kindly requests the members of Euroshareholders to wait developing local plans until more information on this subject is available from the parties involved in this consultation. However investors can register at www.shellcompensation.com in order to stay informed about the settlement.

Websites

VEB: www.veb.net
www.shellvergoeding.nl (Dutch)
www.shellcompensation.com (English)

Foundation: www.shellsettlement.com

Shell: www.shell.com

Announcement

Today the Foundation announced the dates set by the Amsterdam Court of Appeal. See the attachment for the text, which is available on the websites of the Foundation (www.shellsettlement.com) and of Shell (www.shell.com)

Attachment: Press release of the Stichting Shell Reserves Compensation Foundation (in cooperation with VEB) of 11 April 2008

News & Media releases

Amsterdam Court of Appeal sets date for hearing with respect to Shell securities class settlement of reserve-related claims with European and other non US investors

11/04/2008

Shell *, Stichting Shell Reserves Compensation Foundation (the Foundation), VEB (the Dutch Shareholders Association), APG, All Pensions Group (on behalf of pension fund ABP) and PGGM (on behalf of Stichting Pensioenfonds Zorg en Welzijn) have announced that the Amsterdam Court of Appeal (the Court) has scheduled a hearing on 20 November 2008 with respect to their request for a binding declaration of their settlement agreement concerning reserve-related claims. This settlement agreement provides relief in the amount of US\$352.6 million to qualifying non-U.S.-shareholders who bought Shell shares on any stock exchange outside the United States between April 8, 1999 and March 18, 2004 (the European settlement).

The European settlement was originally reached and announced in April 2007. The parties opted to wait to file an amended petition until a U.S. court ruled on Shell's position that the Court did not have jurisdiction to consider the claims of non-U.S. shareholders in the pending U.S. class action based upon the same reserves issues.

Theo Raaijmakers, chairman of the Foundation's Board: "In the past months the support for the European settlement has continued to increase. After the non-U.S. investors of Shell were excluded from the U.S. case, the parties to the European settlement finalized an amended petition so that additional details respecting the settlement could be provided to the Dutch court. Now that the Court has set a date for the hearing, the parties will provide notice of the settlement and of the hearing to non-U.S. investors."

On March 6, 2008 Shell announced the settlement in principle of reserve-related claims with U.S. investors providing, among other relief, a base settlement amount of US\$82.85 million to resolve the securities class action pending in the U.S., from which the non-U.S. shareholders were excluded in January. The parties in the U.S. class action have not yet finalized this U.S. settlement, nor sought court approval. After finalization and court approval, the U.S. settlement would have an effect on the European settlement. The U.S. class and the participants in the European settlement collectively would receive an additional payment of US\$35 million, to be divided in accordance with proportions determined in the two proposed settlements. In addition, Shell has agreed to pay interest on the European settlement amount effective April 1, 2008.

About the Foundation

The Stichting Shell Reserves Compensation Foundation (the Foundation) is a foundation representing all shareholders covered by the European settlement agreement. The Foundation's participants, which are all fully supporting the European settlement agreement, include 133 institutional investors (APG on behalf of pension fund ABP, PGGM on behalf of Stichting Pensioenfonds Zorg en Welzijn, DEKA, Norges, UBS and Morley, amongst others) as well as Euroshareholders, the confederation of European shareholders associations, and 18 other organizations representing individual shareholders from Belgium, France, Germany, Italy, Sweden, The Netherlands and a number of other countries. Together with Shell, APG, PGGM and the VEB (the Dutch Shareholders Association), the Foundation has requested that

the Court declare this settlement binding. If the Court declares the settlement binding and the settlement agreement becomes final, it is the Foundation's task to distribute the settlement amounts to the investors that are entitled thereto.

* The expression "Shell" as used in this release indicates the two former parent companies, i.e. The Shell Transport and Trading Company, Ltd., (formerly: The "Shell" Transport and Trading Company, plc.) and Shell Petroleum N.V. (the successor company to Royal Dutch Petroleum Company).