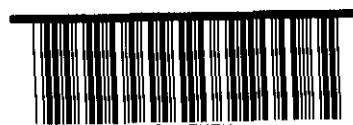


The "Shell" Transport & Trading Company, p.l.c.

Registered Number: 54485

**Financial Statements
Six Months Ended June 30, 2004**



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COMPANIES HOUSE

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The "Shell" Transport and Trading Company, p.l.c.

These interim financial statements are prepared for the purposes of Sections 270 and 272 of the Companies Act 1985. They are abridged and unaudited.

	<u>Six months</u> <u>ended</u> 30 June 2004 <u>£ million</u>
PROFIT AND LOSS ACCOUNT	
Income from shares in companies of the Royal Dutch/Shell Group (Note 2)	765.3
Interest and other income	2.3
	<u>767.6</u>
Administrative expenses	(4.1)
	<u>763.5</u>
Tax on profit on ordinary activities (Note 3)	0.5
Distributable profit for the six months	<u>764.0</u>
Distributable profit for the six months	764.0
Share of earnings retained by companies of the Royal Dutch/Shell Group (Note 2)	<u>1,117.1</u>
Earnings for the six months attributable to shareholders	1,881.1
Aggregate dividends paid and proposed	<u>603.9</u>
STATEMENT OF RETAINED EARNINGS	
Distributable profit for the six months	764.0
Distributable retained profit at beginning of year	282.7
	<u>1,046.7</u>
Dividends on non-equity shares: Preference shares	(0.4)
	<u>1,046.3</u>
Dividends on equity shares 25p Ordinary shares Interim of 6.25p in 2004	(603.7)
Reduction due to share buyback and unclaimed dividends	0.2
Share repurchase including expenses	(33.4)
	<u>(636.9)</u>
Distributable retained profit at 30 June	<u>409.4</u>
Earnings per 25p Ordinary share on an average of 9,510,681,306 shares in issue	
Distributable profit for the six months	8.0 p
Distributable profit for the six months	8.0 p
Share of earnings retained by companies of the Royal Dutch/Shell Group	<u>11.7 p</u>
Earnings for the six months attributable to shareholders	19.7 p

The "Shell" Transport and Trading Company, p.l.c.

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BALANCE SHEET

30 June 2004

£ million

Fixed assets

Investments: Shares (unlisted) in companies of the
Royal Dutch/Shell Group (Note 4)

16,774.8

Current assets

Debtors

Dividends receivable from companies
of the Royal Dutch/Shell Group
Other debtors

861.9

0.6

Cash at bank

Short-term deposits

166.0

Cash

0.5

1,029.0

Creditors: amounts due within one year

Amounts due to companies of the Royal Dutch/Shell Group

3.5

Unclaimed dividends

11.4

Other creditors and accruals

2.5

Preference dividends accrued

0.3

Ordinary dividend proposed

603.7

621.4

Net current assets

407.6

Total assets less current liabilities

17,182.4

Capital and reserves

Equity interests:

Called-up share capital (Note 5): Ordinary shares

2,414.8

Capital redemption reserve

71.1

Revaluation reserve - Investment (Note 4)

14,275.1

Profit and loss account

409.4

17,170.4

Non-equity interests:

Called-up share capital (Note 5)

First Preference shares

2.0

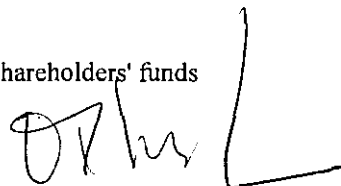
Second Preference shares

10.0

12.0

Shareholders' funds

17,182.4



Lord Oxburgh

Chairman and non-executive Director

28 July 2004

The "Shell" Transport and Trading Company, p.l.c.

Notes to Financial Statements

The "Shell" Transport and Trading Company, p.l.c. ("Shell Transport"), one of the Parent Companies of the Royal Dutch/Shell Group, is a holding company which, in conjunction with Royal Dutch Petroleum Company ("Royal Dutch"), owns, directly or indirectly, investments in the numerous companies referred to collectively as "the Group".

1. Accounting policies and convention

The accounting policies of Shell Transport are explained in the relevant notes.

The financial statements and notes on pages 1 to 5 herein have been prepared, in view of the proposed dividend on the Ordinary shares, in accordance with and for the purposes of sections 270 and 272 of the Companies Act 1985 and in accordance with applicable accounting standards subject only to matters which are not material for determining whether the proposed distribution would contravene the said Act.

The statements have been prepared under the historical cost convention modified by the revaluation of the investments in companies of the Royal Dutch/Shell Group (see Note 4).

These financial statements do not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. Statutory accounts for the year ending 31 December 2004 will be delivered to the Registrar of Companies in England and Wales.

2. Share in the income of Group companies

Shell Transport's share in the net income of Group companies of \$8,577 million for the six months ended 30 June 2004, is as follows:

	<u>£ million</u>
Distribution from Group companies	765.3
Share of earnings retained by Group companies out of net income (and reflected in the movements in the Investment reserve - Note 4)	1,117.1
	<hr/> 1,882.4 <hr/>

3. Tax on ordinary activities

Tax credit for the six months is made up as follows:

	Six months ended 30 June 2004 <u>£ million</u>
Corporation tax credit at 30% in respect of interest income less administrative expenses	<hr/> 0.5 <hr/>

No taxation liability arises in respect of income from shares in companies of the Group as this income consists of a distribution, which is not subject to taxation, from a UK resident company.

The "Shell" Transport and Trading Company, p.l.c.

4. Investments in Group companies

Having regard to the arrangement between Shell Transport and Royal Dutch, the investments of Shell Transport in Group companies are stated at the Directors' valuation at an amount equivalent to Shell Transport's 40% interest in the Group net assets. This valuation comprises the following:

	30 June 2004 <u>£ million</u>
Shell Transport's investment in the Group comprises:	
Cost of investment	178.4
Shell Transport's share of:	
Earnings retained by Group companies	19,551.9
Parent Companies' shares held net of dividends received	(986.5)
Cumulative other comprehensive income	(404.8)
Currency translation differences	(1,564.2)
	<u>16,774.8</u>

The difference between the cost and the amount at which the investments are stated in the Balance Sheet has been taken to Revaluation reserve.

The movements in the Revaluation reserve - Investment are represented by:

	<u>\$ million</u> <u>40% interest</u> <u>in Group net</u> <u>assets</u>	<u>£ million</u> <u>Investment</u>	<u>£ million</u> <u>Revaluation</u> <u>Reserve</u>
As at 1 January 2004	29,024	16,279.2	13,779.5
Movements during the first six months of the year:			
Share in the net income of Group companies	3,431	1,882.4	1,882.4
Distribution to Shell Transport	(1,410)	(765.3)	(765.3)
Undistributed net income of Group companies	<u>2,021</u>	<u>1,117.1</u>	<u>1,117.1</u>
Net (increase)/decrease in Parent Companies' shares held by Group companies	(170)	(94.1)	(94.1)
Other comprehensive income	(589)	(323.7)	(323.7)
Translation effect arising from movements in the dollar/sterling rate		(203.7)	(203.7)
Balance at 30 June 2004	<u>30,286</u>	<u>16,774.8</u>	<u>14,275.1</u>

The earnings retained by Group companies have been, or will be, substantially reinvested by the companies concerned and any taxation unprovided on possible future distributions out of any uninvested retained earnings will not be material.

The "Shell" Transport and Trading Company, p.l.c.

5. Share capital

At 30 June 2004, the share capital of the Company was:

	<u>Authorised</u>	<u>Allotted, called-up and fully paid</u>
	£	£
Equity shares		
Ordinary shares of 25p each		
At 1 January 2004	2,487,000,000	2,416,875,000
Share repurchased for cancellation	<u>-</u>	<u>(2,075,000)</u>
At 30 June 2004	2,487,000,000	2,414,800,000
Non-equity shares		
First Preference shares of £1 each	3,000,000	2,000,000
Second Preference shares of £1 each	10,000,000	10,000,000
	<u>13,000,000</u>	<u>12,000,000</u>
	<u>2,500,000,000</u>	<u>2,426,800,000</u>

The First and Second Preference shares confer on the holders the right to a fixed cumulative dividend and rank in priority to Ordinary shares. On a liquidation the Preference shares also rank in priority to the Ordinary shares for the nominal value of £1 per share but do not have any further rights of participation in the profits or assets of the Company. The Preference shares do not have voting rights unless their dividend is in arrears or the proposal concerns a reduction of capital, winding up, an alteration of the Articles of Association or otherwise directly affects their class rights.