

ENTERPRISE OIL OVERSEAS HOLDINGS LIMITED

DIRECTORS' REPORT

AND ACCOUNTS

2004

CONTENTS

DIRECTORS' REPORT	1
INDEPENDENT AUDITORS' REPORT	3
PROFIT AND LOSS ACCOUNT	4
BALANCE SHEET	5
NOTES TO THE ACCOUNTS	6



ENTERPRISE OIL OVERSEAS HOLDINGS LIMITED

DIRECTORS' REPORT

The Directors submit their annual report and audited accounts for the year ended 31 December 2004.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the Company is to act as a holding Company, which will continue for the foreseeable future.

On 16 March 2004, the Company was acquired by Shell Overseas Holdings Limited.

The profit after taxation for the year amounted to £23.4 million (2003: loss £2.8 million) mainly representing a dividend from Strand Insurance Company Limited.

The Directors do not recommend the payment of a dividend for the year ended 31 December 2004 (2003: £260.0 million).

DIRECTORS

The Directors of the Company, who served throughout the year and to the date of this report (except as noted) were:

P. G. H. Davies

A. W. Longden

R. M. Wiseman

Resigned 15 March 2005

DIRECTORS' INTERESTS

According to the register recording such interests, no Director who was in office on 31 December 2004 had any such shareholdings or debenture-holding interest in N. V. Koninklijke Nederlandsche Petroleum Maatschappij (Royal Dutch Petroleum Company).

POST BALANCE SHEET EVENTS

Refer to Note 11 "Post balance sheet events".

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies Act 1985 requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

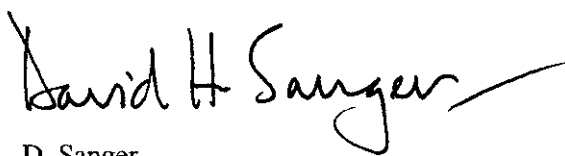
ENTERPRISE OIL OVERSEAS HOLDINGS LIMITED

DIRECTORS' REPORT (Continued)

AUDITORS

The Company has passed an Elective Resolution in accordance with the Companies Act 1985 to dispense with the holding of annual general meetings, the laying of accounts and reports before general meetings and the annual reappointment of Auditors. PricewaterhouseCoopers LLP will, accordingly, continue in office as Auditors of the Company pursuant to Section 386 of the Companies Act 1985. However, pursuant to Section 253(2) of the Companies Act 1985, any Member or the Auditors of the Company may require the accounts and reports to be laid before a general meeting by depositing a notice to that effect at the registered office of the Company not later than 28 days after the despatch of the accounts and reports to Members.

By order of the Board

A handwritten signature in black ink, reading "David H Sanger", followed by a long horizontal flourish.

D. Sanger
Authorised signatory for
Shell Corporate Secretary Limited
Company Secretary
5 September 2005

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ENTERPRISE OIL OVERSEAS HOLDINGS LIMITED

We have audited the accounts, which comprise the profit and loss account, the balance sheet and the related notes.

Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the annual report and the accounts in accordance with applicable United Kingdom law and accounting standards are set out in the statement of Directors' responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the accounts, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP.

PricewaterhouseCoopers LLP
Chartered Accountants and
Registered Auditors
5 September 2005

1 Embankment Place,
LONDON, WC2N 6RH

ENTERPRISE OIL OVERSEAS HOLDINGS LIMITED**PROFIT AND LOSS ACCOUNT****For the year ended 31 December 2004**

	Note	2004 £ million	2003 £ million
Continuing operations			
Income from shares in subsidiary undertakings		25.0	-
Amounts written off investments	4	(1.4)	-
Other interest receivable and similar income	2	-	3.4
Interest payable and similar charges	3	-	(7.4)
<hr/>			
PROFIT/(LOSS) ON ORDINARY ACTIVITIES			
BEFORE TAXATION	4	23.6	(4.0)
Tax on profit/(loss) on ordinary activities	5	(0.2)	1.2
<hr/>			
PROFIT/(LOSS) FOR THE YEAR		23.4	(2.8)
Dividends paid and proposed		-	(260.0)
<hr/>			
RETAINED PROFIT/(LOSS) FOR THE YEAR		23.4	(262.8)
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The reported profit/(loss) on ordinary activities and the retained amount for the current and previous year are presented on a historical cost basis.


There are no other recognised gains and losses other than those disclosed in the profit and loss account and accordingly a statement of total recognised gains and losses has not been presented.

ENTERPRISE OIL OVERSEAS HOLDINGS LIMITED**BALANCE SHEET****At 31 December 2004**

	Note	2004 £ million	2003 £ million
FIXED ASSETS			
Investments	6	5.6	7.0
CURRENT ASSETS			
Debtors	7	38.2	479.2
CREDITORS: amounts falling due within one year	8	(0.2)	(466.0)
NET CURRENT ASSETS		<u>38.0</u>	<u>13.2</u>
NET ASSETS		<u>43.6</u>	<u>20.2</u>
CAPITAL AND RESERVES			
Called up share capital	9	19.4	19.4
Profit and loss account	10	24.2	0.8
EQUITY SHAREHOLDERS' FUNDS		<u>43.6</u>	<u>20.2</u>

The Notes on pages 6 to 11 form part of these accounts.

The accounts were approved by the Board of Directors on 5 September 2005 and signed on its behalf by:



R. M. Wiseman
Director

ENTERPRISE OIL OVERSEAS HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

For the year ended 31 December 2004

1. Accounting policies

a) Accounting convention and compliance with accounting standards

The accounts have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards in the UK and the accounting policies as described below.

b) Group accounts

Group accounts of the Company and its subsidiary undertaking have not been prepared. The Company is exempt from the requirement to prepare consolidated accounts under the provisions of Section 228 of the Companies Act 1985 (as amended by Section 5 of the Companies Act 1989). The accounts present information about the Company as an individual undertaking and not about its Group.

The immediate parent company was Enterprise Oil Limited until 16 March 2004 when the entire share capital of the Company was acquired by Shell Overseas Holdings Limited.

At the year-end, the ultimate parent company was N.V. Koninklijke Nederlandsche Petroleum Maatschappij (Royal Dutch Petroleum Company), which is incorporated in the Netherlands. The ultimate parent company owns 60% of the share capital of The Shell Petroleum Company Limited, which is the main holding company in the UK, of which this Company is an indirect subsidiary. The remaining 40% is owned by The "Shell" Transport and Trading Company, p.l.c ("ST&T").

On 28 June 2005, the shareholders of Royal Dutch and ST&T approved proposals to unify the two companies under a single parent company, Royal Dutch Shell plc, which is incorporated in the UK. All necessary conditions to approve the unification were fulfilled by 20 July 2005 and consequently the ultimate parent company changed to Royal Dutch Shell plc on that date.

The accounts of the Company and its subsidiary undertaking are incorporated in the accounts of the Royal Dutch/Shell Group of companies, which are included in the Annual Reports of Royal Dutch and ST&T.

Copies of the accounts of the Royal Dutch/Shell Group of companies are available from:

Publications and Communications Administration
Group External Affairs
PXXC Division
Shell Centre
London
SE1 7NA
United Kingdom

c) Fixed asset investments

These comprise investments in shares and loans that the Directors intend to hold on a continuing basis in the Company's business. The investments are stated at cost less provisions for impairment. A review for the potential impairment of an investment is carried out if events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. Such impairment reviews are performed in accordance with Financial Reporting Standard 11. Impairments thus arising are recorded in the profit and loss account.

ENTERPRISE OIL OVERSEAS HOLDINGS LIMITED

NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 December 2004

1. Accounting policies (Continued)

d) Income from shares in group undertakings and participating interests

Income from shares in Group undertakings and participating interests represents dividends, including accruals relating to the current year and prior periods, provided that receipt of the dividend is assured.

e) Taxation

The Company records a tax charge or credit in the profit and loss account calculated at the tax rate prevailing in the year for tax payable to HM Revenue & Customs, or for group relief to surrender to or be received from other Group undertakings, and for which payment may be requested.

In the event that payment should be made at a rate different from the tax rate prevailing in the current year, adjustments would be taken up to reflect the rate differential.

f) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future, have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profit and its results as stated in the accounts that arise from inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the accounts.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Amounts relating to deferred tax are undiscounted.

g) Foreign currency translation

Income and expense items denominated in foreign currencies are translated into Sterling at the rate ruling on their transaction date.

Monetary assets and liabilities recorded in foreign currencies are expressed in Sterling at the rates of exchange ruling at the year end. Differences on translation are included in the profit and loss account.

h) Cash flow statement

In accordance with the exemption allowed by paragraph 5(a) of Financial Reporting Standard 1, a cash flow statement for the Company has not been provided.

ENTERPRISE OIL OVERSEAS HOLDINGS LIMITED**NOTES TO THE ACCOUNTS (Continued)****For the year ended 31 December 2004****1. Accounting policies (Continued)****i) Related party disclosures**

In accordance with the exemption allowed by paragraph 3(c) of Financial Reporting Standard 8, no disclosure is made of transactions with other member companies of the Royal Dutch/Shell Group or investees of the Group qualifying as related parties.

2. Other interest receivable and similar income

	2004 £ million	2003 £ million
Group undertakings:		
Subsidiary undertakings	-	3.3
Associate undertakings	-	0.1
	<hr/>	<hr/>
	-	3.4

3. Interest payable and similar charges

	2004 £ million	2003 £ million
Loss on currency translation	-	7.4
	<hr/>	<hr/>

4. Profit/(loss) on ordinary activities before taxation

Profit/(loss) on ordinary activities before taxation is stated after charging/(crediting) the following:

	2004 £ million	2003 £ million
Provision for impairment of fixed asset investments	1.4	0.1
Reversal of prior year provision for impairment of fixed asset investments	-	(0.1)
	<hr/>	<hr/>

None of the Directors received any emoluments in respect of their services to the Company during the year (2003: Nil).

The Auditors' remuneration of £6,850 in respect of the statutory audit was borne by a Parent company for both 2004 and 2003.

No fees were paid to the Auditors in respect of non-audit services (2003: £Nil).

The Company had no employees during 2004 (2003: Nil).

ENTERPRISE OIL OVERSEAS HOLDINGS LIMITED

NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 December 2004

5. Tax on profit/(loss) on ordinary activities

The charge for the year of £0.2 million (2003: £1.2 million credit) is made up as follows:

	2004 £ million	2003 £ million
UK corporation tax at the standard rate of 30% (2003: 30%)	0.2	(1.2)

The tax assessed for the year differs from the standard rate of UK corporation tax (30%).
The differences are explained below:

	2004 £ million	2003 £ million
(Profit)/loss on ordinary activities before tax	(23.6)	4.0
Tax on (profit)/loss on ordinary activities at standard UK corporation tax rate of 30% (2003: 30%)	7.0	(1.2)
Effects of:		
Taxation on imputed interest	0.2	-
Expenses not deductible	0.5	-
Income not assessable	(7.5)	-
Current tax charge/(credit) for the year	0.2	(1.2)

6. Fixed assets - Investments

	Shares in group undertakings £ million	Loans to group undertakings £ million	Total £ million
Cost			
Balance at 1 January 2004	7.1	2.5	9.6
Disposals	(0.1)	(2.5)	(2.6)
Balance at 31 December 2004	7.0	-	7.0
Amounts provided			
Balance at 1 January 2004	0.1	2.5	2.6
Additions	1.4	-	1.4
Disposals	(0.1)	(2.5)	(2.6)
Balance at 31 December 2004	1.4	-	1.4
Net book amount			
At 31 December 2004	5.6	-	5.6
At 31 December 2003	7.0	-	7.0

ENTERPRISE OIL OVERSEAS HOLDINGS LIMITED**NOTES TO THE ACCOUNTS (Continued)****For the year ended 31 December 2004****6. Fixed assets – Investments (Continued)**

The Company has the following fixed asset investments;

The whole of the issued share capital of Strand Insurance Company Limited (a company incorporated in the Isle Of Man), which consists of 1,400,000 ordinary shares with a nominal value of £1 per share.

In December 2004, KMNGG Holdings B.V. in which Enterprise Oil Overseas Holdings Limited held a fully provided investment of \$125,000 (£88,000) along with a fully provided loan of \$3,700,000 (£2,500,000) was dissolved.

7. Debtors

	2004 £ million	2003 £ million
Amounts owed by Group undertakings:		
Parent undertaking	13.2	-
Fellow subsidiary undertakings	-	479.2
Subsidiary undertaking	25.0	-
	<hr/>	<hr/>
	38.2	479.2
	<hr/>	<hr/>

8. Creditors: amounts falling due within one year

	2004 £ million	2003 £ million
Amounts owed to Parent undertaking	-	458.8
Taxation payable	0.2	7.2
	<hr/>	<hr/>
	0.2	466.0
	<hr/>	<hr/>

9. Called up share capital

	2004 £ million	2003 £ million
Authorised		
20,000,000 (2003: 20,000,000) ordinary shares of £1 each	20.0	20.0
	<hr/>	<hr/>
Allotted, called up and fully paid		
19,425,791 (2003: 19,425,791) ordinary shares of £1 each	19.4	19.4
	<hr/>	<hr/>

ENTERPRISE OIL OVERSEAS HOLDINGS LIMITED**NOTES TO THE ACCOUNTS (Continued)****For the year ended 31 December 2004****10. Reconciliation of movements in reserves and shareholders' funds**

	Profit and loss account £ million	Share capital £ million	Other reserve £ million	Shareholders' funds £ million
At 1 January 2003	8.3	19.4	255.3	283.0
Retained loss for the year	(262.8)	-	-	(262.8)
Unrealised gain on sale of investment	255.3	-	(255.3)	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 January 2004	0.8	19.4	-	20.2
Retained profit for the year	23.4	-	-	23.4
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2004	24.2	19.4	-	43.6
	<hr/>	<hr/>	<hr/>	<hr/>

11. Post balance sheet events

On 28 June 2005, the shareholders of Royal Dutch and ST&T approved proposals to unify the two companies under a single parent company, Royal Dutch Shell plc, which is incorporated in the UK. All necessary conditions to approve the unification were fulfilled by 20 July 2005 and consequently the ultimate parent company changed to Royal Dutch Shell plc on that date.