

SHELL INTERNATIONAL RENEWABLES LIMITED

DIRECTORS' REPORT

AND ACCOUNTS

2005

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SHELL INTERNATIONAL RENEWABLES LIMITED

DIRECTORS' REPORT

The Directors submit their annual report and audited accounts for the year ended 31 December 2005.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the Company was to provide business support to Shell renewables businesses.

The Directors anticipate that all future renewable energy activities will be carried out through Shell International Renewables BV, a fellow subsidiary undertaking incorporated in the Netherlands and future United Kingdom wind energy activities will be carried out through Shell WindEnergy Limited, a fellow subsidiary undertaking incorporated in the United Kingdom. As a result the Company has ceased all trading activities.

The Company's profit/loss for the financial year was Nil (2004: loss of £5,000).

The Directors recommend that no dividend be paid for the year ended 31 December 2005 (2004: Nil).

The Directors are currently reviewing future options for the direction of the Company.

DIRECTORS

The Directors of the Company, who served throughout the year and to the date of this report were:

K.M.A. De Segundo

P.J. Duisenberg

J.O. Goslings

G.S.S. Sweeney

Resigned 31 March 2005

Resigned 1 May 2006

Appointed 1 May 2006

Appointed 31 March 2005

DIRECTORS' INTERESTS

On 20 July 2005, the ultimate parent company changed from N.V. Koninklijke Nederlandsche Petroleum Maatschappij ("Royal Dutch Petroleum Company") to Royal Dutch Shell plc ("Royal Dutch Shell") after all necessary conditions were fulfilled to approve the unification of Royal Dutch Petroleum Company and Shell Transport and Trading plc under a single parent company. Any shareholdings in Royal Dutch Petroleum Company at 20 July 2005 were exchangeable for Royal Dutch Shell Class A ordinary shares at the conversion applicable to the unification.

- i) The Directors' shareholding and debenture-holding interests (other than share options) in Royal Dutch Petroleum Company and Royal Dutch Shell and its subsidiary undertakings recorded in the Register of such interests were as follows:

	Royal Dutch Petroleum Company ordinary shares of €0.56 each		Royal Dutch Shell ordinary shares of €0.07 each			
	1 January 2005		20 July 2005		31 December 2005	
			Class A	Class B	Class A	Class B
G.S.S. Sweeney	-		-	3,203	-	3,203

SHELL INTERNATIONAL RENEWABLES LIMITED**DIRECTORS' REPORT (Continued)****DIRECTORS' INTERESTS (Continued)**

- ii) The interests of the Directors of the Company in shares of Royal Dutch Petroleum Company and in Royal Dutch Shell under share option schemes as recorded in the Register of such interests were as follows:

Royal Dutch Petroleum Company ordinary shares

	€0.56 each Options Outstanding	Options Granted	Options Exercised	Options Lapsed/ Cancelled	€0.56 each Options Outstanding
	1 January 2005				20 July 2005
P.J. Duisenberg	13,800	-	-	-	13,800

Royal Dutch Shell ordinary shares

	€0.07 each Options Outstanding	Options Granted	Options Exercised	Options Lapsed/ Cancelled	€0.07 each Options Outstanding
	20 July 2005				31 December 2005
Class A					
P.J. Duisenberg	27,600	-	-	-	27,600
Class B					
G.S.S. Sweeney	112,279	-	-	-	112,279

SHELL INTERNATIONAL RENEWABLES LIMITED**DIRECTORS' REPORT (Continued)****DIRECTORS' INTERESTS (Continued)**

- iii) The interests of the Directors of the Company in shares of Royal Dutch Shell under performance share plans as recorded in the Register of such interests were as follows:

Royal Dutch Shell ordinary shares

	€0.07 each Performance Shares held	Performance Shares conditionally awarded	Dividend shares accrued	€0.07 each Performance Shares held
	20 July 2005			31 December 2005
Class A				
P.J. Duisenberg	-	2,000	17	2,017
Class B				
G.S.S. Sweeney	-	12,500	105	12,605

Under the performance share plan, performance shares are awarded conditionally once a year. The receipt of shares will be conditional on the satisfaction of performance criteria over the performance period and on the participant remaining in employment (subject to certain exemptions, including retirement). The number of shares received by Directors at the end of the performance period will depend on the Total Shareholder Return performance of the Group relative to its industry peers.

According to the Register of Directors' interests, no other Directors had any such interests in Royal Dutch Shell or in any other undertaking requiring disclosure under the Companies Act 1985.

SHELL INTERNATIONAL RENEWABLES LIMITED

DIRECTORS' REPORT (Continued)

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 to 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.

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



J.O. Goslings
Director

26/9 2006

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHELL INTERNATIONAL RENEWABLES LIMITED

We have audited the accounts of Shell International Renewables Limited for the year ended 31 December 2005, which comprise the profit and loss account, the balance sheet and the related notes. These accounts have been prepared under the accounting policies set out therein.

Respective responsibilities of Directors and auditors

As described in the Statement of Directors' Responsibilities the Company's Directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

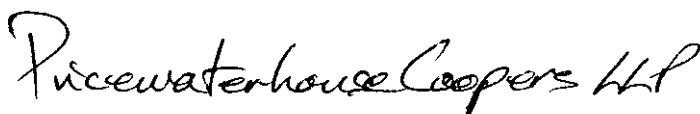
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2005 and of its result for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors

26 September 2006

1 Embankment Place,
LONDON, WC2N 6RH

SHELL INTERNATIONAL RENEWABLES LIMITED**PROFIT AND LOSS ACCOUNT****For the year ended 31 December 2005****Discontinued operations**

	Note	2005 £'000	2004 £'000
Turnover	2	21	367
Cost of sales		<u>(21)</u>	<u>(367)</u>
GROSS PROFIT		-	-
Administrative expenses		<u>-</u>	<u>(11)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES			
BEFORE TAXATION	3	-	(11)
Tax on profit/(loss) on ordinary activities	4	<u>-</u>	<u>6</u>
RETAINED PROFIT/(LOSS) FOR THE YEAR		<u>-</u>	<u>(5)</u>

The reported profit/(loss) on ordinary activities and the amount retained for the year are presented on a historical cost basis.

There were no recognised gains and losses other than the profit/(loss) for the current year and the prior year and accordingly a statement of total recognised gains and losses has not been presented.

SHELL INTERNATIONAL RENEWABLES LIMITED**BALANCE SHEET**

At 31 December 2005

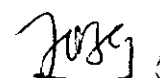
	Note	2005 £'000	2004 £'000
CURRENT ASSETS			
Debtors	5	915	931
CREDITORS: amounts falling due within one year	6	<u>(5)</u>	<u>(21)</u>
NET CURRENT ASSETS		<u>910</u>	<u>910</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>910</u>	<u>910</u>
CAPITAL AND RESERVES			
Called up share capital	7	1,000	1,000
Profit and loss account	8	<u>(90)</u>	<u>(90)</u>
EQUITY SHAREHOLDERS' FUNDS	8	<u>910</u>	<u>910</u>

The notes on pages 8 to 13 form part of these accounts.

The accounts were approved by the Board of Directors on the 26 / 9 2006 and were signed on its behalf by:



G.S.S. Sweeney
Director



SHELL INTERNATIONAL RENEWABLES LIMITED

NOTES TO THE ACCOUNTS

For the year ended 31 December 2005

1. Accounting policies

a) Accounting convention and compliance with Accounting Standards

The accounts have been prepared 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

The immediate parent company is The Shell Petroleum Company Limited.

The ultimate parent company is Royal Dutch Shell, which is incorporated in the UK.

The accounts of the Company are incorporated in the annual report and accounts of Royal Dutch Shell.

Copies of the annual report and accounts of Royal Dutch Shell are available from:

Royal Dutch Shell plc
c/o Bankside
Tel: +44 (0)1635 232700
email: bbs@shellbankside.co.uk

c) Tax

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 and Customs, or for group relief to surrender to or to 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.

SHELL INTERNATIONAL RENEWABLES LIMITED

NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 December 2005

1. Accounting policies (Continued)

d) 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 have been expressed in Sterling at the rates of exchange ruling at the year end. Differences on translation are included in the profit and loss account.

e) Turnover

Turnover represents amounts received or receivable (excluding VAT) for services supplied during the period.

f) Pension costs

The Company is not a member of the Shell Contributory Pension Fund or other Shell pension funds as it does not employ those persons who work on behalf of the Company. These staff are employed by Shell International Limited, a fellow subsidiary undertaking, and all pension liabilities and costs arising on behalf of these employees are borne by them. Costs are recharged to the Company.

g) 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.

h) 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 Shell Group or investees of the Group qualifying as related parties.

2. Turnover

Turnover is principally related, directly or indirectly, to the renewables businesses in Europe.

SHELL INTERNATIONAL RENEWABLES LIMITED**NOTES TO THE ACCOUNTS (Continued)****For the year ended 31 December 2005****3. Profit/(Loss) on ordinary activities before taxation**

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

	2005	2004
	£'000	£'000
Staff costs:		
Wages and salaries	1	111
Social security costs	-	15
Other pension costs	-	5
	<u>1</u>	<u>131</u>

The Company had no employees during 2005 (2004: Nil).

The average number of persons working on behalf of the Company in 2005 was 0 (2004: 0). The staff were employed by Shell International Limited and costs were charged to Shell International Renewables Limited.

	2005	2004
	£'000	£'000
Operating lease rental charged:		
Other operating leases	-	(2)
Currency translation:		
Non-trading	-	11
Auditors' remuneration for audit services	1	3

SHELL INTERNATIONAL RENEWABLES LIMITED**NOTES TO THE ACCOUNTS (Continued)****For the year ended 31 December 2005****4. Tax on profit/(loss) on ordinary activities**

The charge/credit for the year of Nil (2004: credit of £6,000) is made up as follows:

	2005 £'000	2004 £'000
UK corporation tax at the standard rate of 30% (2004: 30%)	-	(3)
Adjustments in respect of prior years	-	(3)
Total current tax charge/(credit)	-	(6)
Total tax charge/(credit)	-	(6)

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

	2005 £'000	2004 £'000
Profit/(Loss) on ordinary activities before tax	-	(11)
Tax on profit/(loss) on ordinary activities at standard UK corporation tax rate of 30% (2004: 30%)	-	(3)
Effects of:		
Adjustment to tax credit in respect of previous year	-	(3)
Current tax charge/(credit) for the year	-	(6)

SHELL INTERNATIONAL RENEWABLES LIMITED**NOTES TO THE ACCOUNTS (Continued)****For the year ended 31 December 2005****5. Debtors**

	2005 Within 1 year £'000	2004 Within 1 year £'000
Amounts owed by Group undertakings:		
Parent undertaking	780	798
Fellow subsidiary undertakings	5	-
Tax receivable	130	133
	<u>915</u>	<u>931</u>

6. Creditors: amounts falling due within one year

	2005 £'000	2004 £'000
Amounts owed to Group undertakings:		
Fellow subsidiary undertakings	5	20
Accruals and deferred income	-	1
	<u>5</u>	<u>21</u>

7. Called up share capital

	2005 £'000	2004 £'000
Authorised		
1,000,000 (2004: 1,000,000) ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1,000,000 (2004: 1,000,000) ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

SHELL INTERNATIONAL RENEWABLES LIMITED**NOTES TO THE ACCOUNTS (Continued)****For the year ended 31 December 2005****8. Reconciliation of movements in reserves and shareholders' funds**

	Share capital	Profit and loss account	Shareholders' funds
	£'000	£'000	£'000
At 1 January 2004	1,000	(85)	915
Loss for the year	-	(5)	(5)
At 1 January 2005	1,000	(90)	910
Result for the year	-	-	-
At 31 December 2005	1,000	(90)	910

9. Directors

None of the Directors received any emoluments (2004: £Nil) in respect of their services to the Company.