

Shell Finance (Netherlands) B.V.
(Incorporated in The Hague, Netherlands.)
(Registration number: 27116952)

Annual Report 2006

0590914



16-07-2007

Contents

Report to Shareholder	2
Board of Management	3
Report of the Board of Management	4
Review of Activities	4
Annual Accounts	
Balance sheet as at 31 December 2006	5
Profit and loss account for the year ended 31 December 2006	6
Notes to the accounts for the year ended 31 December 2006	7
Other Information	
Statutory rules as to appropriation of profit	18
Proposed appropriation of results	18
Auditors' report	19

In this report, the collective expressions "Shell", "Group", "Royal Dutch Shell Group of Companies" are sometimes used for convenience in contexts where reference is made to companies of the Royal Dutch/Shell Group in general. Those expressions are also used where no useful purpose is served by identifying the particular company or companies.

Shell Finance (Netherlands) B.V.

Report to the Shareholder of Shell Finance (Netherlands) B.V.

We herewith submit the Annual Report for the year 2006, consisting of:

- 1 Report of the Board of Management
- 2 Annual Accounts, consisting of:
 - a) Balance sheet as at 31 December 2006;
 - b) Profit and loss account for the year ended 31 December 2006;
 - c) Notes to the accounts for the year ended 31 December 2006.
- 3 Other information, including the auditors' report.

We have the honour to submit the following proposals:

- a) that the balance sheet as at 31 December 2006, the profit and loss account for the year ended 31 December 2006 and the notes to the accounts be finalised in accordance with the attached accounts;
- b) that it is proposed to add the profit amounting to \$310.2 million to the shareholder's equity;
- c) that the Board of Management be discharged of responsibility in respect of its management during the year 2006.

The Hague, 26 June 2007

The Board of Management

16-07-2007

Shell Finance (Netherlands) B.V.

Board of Management

F. P. Marret (Appointed 12 /09/2001)

A. W. Longden (Appointed 20/04/2006)

M. C. M Brandjes (Appointed 20/04/2006)

P. J. Ellingsworth (Appointed 17/07/2006)

S. Gorman (Appointed 5/05/2007)

C.C. van Kuijk (Resigned 20/04/2006)

Th. S.C. Neeffjes (Resigned 17/07/2006)

I. D. Chisholm (Resigned 5/05/2007)

16-07-2007

Report of the Board of Management

Review of activities

The Company is one of the financing companies of the "Companies of the Shell Group"¹⁾

In the year under review the Company continued to take deposits from, and provide term loans to, fellow group and associated companies. In line with the revision to the Company's financing policy, no new debt issuance occurred during the year. Previously, the Company had been engaged in debt issuance under three debt issuance programmes; two commercial paper programmes totalling USD 20 billion and one debt securities programme totalling USD 10 billion. Royal Dutch Shell plc guarantees all three debt issuance programmes. During the year, the Company issued nine financial guarantees to third parties on behalf of Group subsidiaries and associated companies.

The Company's financial result for the year was a profit of USD 310.2 million (2005: USD 4.4 million) and is mainly determined by the margin between interest received and interest paid. During 2006 the Company's interest and similar income amounted to USD 1,025.5 million (2005: USD 275.2 million) whereas the interest and similar expenses amounted to USD 801.5 million (2005: USD 267.6 million).

During the year, the Company increased its authorised share capital to 500,000 ordinary shares of EUR 1,000 each (2005: 30,000 shares of EUR 454 each). During April 2006 487,000 shares with a nominal value of EUR 487.0 million (USD 580.2 million) were issued and fully paid. Share premium resulting from the share issue amounted to USD 4,684.8m.

The Company employs no staff. This is not expected to change in 2007.

The rendering of services by the Service Companies of the Shell Group to the Company will be continued as deemed necessary.

Risk management and internal control systems

The Board of Management considers that the internal risk management and control system, which is designed to provide reasonable but not absolute assurance of achieving business objectives, is adequate and appropriate.

Financial instruments

The Company, in the normal course of the business, uses financial instruments of various kinds for the purposes of managing exposure to currency and interest rate movements. The Company has a treasury policy consistent with the Group Treasury Guidelines. These policies cover financing structure, foreign exchange and interest rate risk management as well as the treasury control framework. The use of financial instruments for managing economic exposures has been effective in 2006 and the Company will use financial instruments, where required, to manage economic exposures in 2007.

On behalf of the Board of Management

The Hague, 26 June 2007

1) For definition see note 1 of the Notes to the accounts on page 7.

Balance sheet as at 31 December 2006

(before proposed appropriation of result)

	Notes	2006 \$ million	2005* \$ million
Current assets			
Accounts receivable	4	18,898.2	10,556.8
Cash at banks and short-term deposits		-	0.4
		<u>18,898.2</u>	<u>10,557.2</u>
Current liabilities	5	6,731.4	4,231.4
Current assets less current liabilities		<u>12,166.8</u>	<u>6,325.8</u>
Long-term debt	5	6,570.6	6,304.8
Shareholder's equity	6		
Issued capital		658.9	16.4
Share premium		4,684.8	-
Other reserves		(62.1)	0.2
Unappropriated profit		314.6	4.4
		<u>5,596.2</u>	<u>21.0</u>
		<u>12,166.8</u>	<u>6,325.8</u>

• The bond liability has been shown net of unamortized discount in the current year. In 2005, the unamortized discount was shown as part of accounts receivable. The presentation of the comparatives has been changed in order to provide consistency.

16-07-2007

Profit and loss account for the year ended 31 December 2006

	Notes	2006 \$ million	2005* \$ million
Interest income and similar income	7	1,025.5	275.2
Interest expense and similar expenses	8	(801.5)	(267.6)
General and administrative expenses		(1.1)	(1.1)
Result before taxation		222.9	6.5
Taxation credit/ (charge) on result	9	87.3	(2.1)
Net result after taxation		310.2	4.4

* Currency exchange gains/ losses, which was included as part of Interest and similar income in 2005, have been reclassified and disclosed on a net basis to provide consistency with the current year. The presentation of the comparatives has been changed in order to provide consistency. There has been no change to retained profit for the year.

Shell Finance (Netherlands) B.V.

Notes to the accounts for the year ended 31 December 2006

1 Group affiliation and principal activities

The Company is one of the Companies of the Shell Group. In this context the term "Companies of the Shell Group" ("Group companies") means companies in which Royal Dutch Shell plc, either directly or indirectly, has control either through a majority of the voting rights or the right to exercise a controlling influence or to obtain the majority of the benefits and be exposed to the majority of the risks. Companies in which Group companies have significant influence but not control are classified as "Associated companies". Royal Dutch Shell plc, a company incorporated in the United Kingdom, is known as the "Parent Company" of the Shell Group.

The shares of the Company are held by Shell Petroleum N.V., established in The Hague.

The objective of the Company is to acquire funds by contracting public or private loans or otherwise and to make such funds available in whatever form, in particular to companies and enterprises in which Royal Dutch Shell plc has a direct or indirect participation. Additionally, the Company enters into financial guarantees on behalf of other Group companies. The Company is further entitled to do all that is useful or necessary for the attainment of its objective or that is related thereto in the widest sense of the word, including co-operation in the establishment of, participating in and managing other companies and undertakings which wholly or partly have a similar or related object.

2 Basis of presentation

These accounts have been prepared in accordance with accounting principles generally accepted in the Netherlands and are in compliance with the provisions of the Netherlands Civil Code, Book 2, Title 9.

In conformity with the exemption provisions of the Guidelines for Annual Reporting in the Netherlands, a cash flow statement is not presented. The consolidated accounts of Royal Dutch Shell plc for the year ended 31 December 2006, which include a cash flow statement, have been filed at the Commercial Registry in The Hague, The Netherlands.

The financial information of the Company is incorporated in the consolidated financial statements of Royal Dutch Shell plc. These form the Annual Report and form 20F for the year ended 31 December 2006 and have been deposited at the office of the Commercial Registry in The Hague.

16-07-2007

Notes to the accounts for the year ended 31 December 2006 (continued)

3 Accounting policies

The principles of valuation and determination of result remained unchanged compared to the prior year.

a) *Historical cost*

The annual accounts have been prepared under the historical cost convention.

b) *Foreign currencies*

Monetary assets and liabilities of the Company in foreign currencies are translated into the functional currency (USD) at the year-end rate of exchange.

Gains and losses in exchange arising as a result of transactions in currencies other than the functional (USD) currency are included in the profit and loss for the year in which they are incurred.

c) *Assets and liabilities*

Assets and liabilities (including financial instruments) are shown at their historical cost values, less provisions where applicable, except where a different basis of valuation has been indicated in the annual accounts.

d) *Securities*

Securities are recorded at cost including accrued interest and the proportion of premiums and discounts.

e) *Income and expense recognition*

General and administrative expenses, interest expense and similar expenses and interest income and similar income are accounted for in the period to which they relate.

f) *Financial Instruments*

The Company uses financial instruments to mitigate the following risks:

Currency risk:

The Company's currency risk mainly relates to positions and future transactions in US dollars, Euros and British pounds. Based on a risk analysis, the Board of Management determined that part of the currency risks to be hedged. To this end, use is made of cross currency interest rate swaps and forward foreign exchange contracts.

Interest rate risk

The Company is exposed to interest rate risk on the interest-bearing receivables and interest-bearing long term and current liabilities.

The Company is exposed to the variability in cash flows of variable interest rates on receivables and liabilities. In relation to fixed interest receivables and liabilities, it is exposed to the fair value of the receivables and liabilities.

With respect to certain fixed interest liabilities to financial and credit institutions, the Company has entered into interest rate swap agreements through which it effectively receives fixed interest, and pays variable interest.

Notes to the accounts for the year ended 31 December 2006 (continued)

Credit risk

The Company does not have any significant concentrations of credit risk. The Group clients are subject to creditworthiness tests. Sales are subject to payment conditions ranging from 8 to 60 days. For large projects, exceptions to these conditions may apply, in which case additional security, including guarantees, may be required.

The Company uses a selection of banks in order to be in a position to use more than one facility. Where necessary, guarantees and collateral is granted to banks in order to secure facilities. The Company has procedures and policies in place to manage the amount of credit exposure to any counterparty or market. These procedures manage the Company's exposure to concentrations of credit or market risk. The Company also has procedures and policies in place to limit the amount of exposure on USD denominated balances. These procedures limit the Company's fiscal exposure.

In the event of a counterparty defaulting on payments due to the Company the resulting losses, if any, would be limited to the fair values of the instruments on which the default occurred. The contract/notional amounts of the financial instruments outstanding give an indication of the extent that these financial instruments are used but not of the exposure to credit or market risk.

Interest rate and cross currency interest rate swaps are acquired and held for hedging purposes. Income and expense arising from such transactions are accrued in the profit and loss account, consistent with the basis applied to the underlying transactions. Interest rates swaps are not revalued to fair value or shown in the balance sheet at the year end but are disclosed in the fair value table in note 10. The foreign currency portion of the cross currency interest rate swaps is revalued and gains and losses are taken through the profit and loss account.

The premium or discount on forward foreign exchange contracts is amortised over the life of the contract on a straight-line basis, with the unamortized balance reported on the balance sheet. The premium or discount is calculated by multiplying the foreign currency amount of the contract by the difference between the spot rate and the agreed forward rate at the inception of the contract.

The Company's financial instruments, other than derivatives, comprise borrowings, cash and liquid resources and various other items that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

It is, and has been throughout the year to 31 December 2006, the Company's policy not to undertake proprietary trading in financial instruments.

The main risks arising from the Company's financial instruments are interest rate risk, credit risk and foreign currency risk. These risks are managed as detailed in note 10.

g) *Taxation*

The Company records a tax charge or credit in the profit and loss account calculated at the tax rate prevailing in the year to derive tax payable to the Dutch fiscal authorities.

For the assessment of Netherlands corporation tax, the Company, together with Shell Petroleum N.V., forms part of a fiscal unity. As of 1 January 2006, Royal Dutch Shell plc is the head of the fiscal unity.

Shell Petroleum N.V. charges the estimated corporation tax relating to the subsidiaries forming part of the fiscal unity to these subsidiaries. Settlement of Netherlands income tax in the fiscal unity is based on fiscal results.

16-07-2007

Notes to the accounts for the year ended 31 December 2006 (continued)

h) *Impairment of assets*

Assets are reviewed for impairment whenever there is any indication that impairment may exist. If impairment does exist, then the recoverable amount (i.e. the higher of the fair value less cost to sell or value in use) of the asset is estimated to determine the amount of impairment loss, which is booked to the profit and loss account.

i) *Cash and cash equivalents*

Cash and cash equivalents include cash in hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

j) *Fair value estimation*

The carrying amount of current receivables and payables are assumed to approximate their fair values.

k) *Netting off policy*

Balances with other Group companies in the Royal Dutch Shell Group are stated net if, and only if, the Company:

- i) Currently has a legally enforceable right to set off the recognised amounts; and
- ii) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4 Accounts receivable

	2006		2005	
	Due within 1 Year*	Due after 1 Year	Due within 1 Year*	Due after 1 Year
	\$ million	\$ million	\$ million	\$ million
Due from Group companies	8,172.7	10,723.0	4,165.9	6,280.4
Due from Associated companies	-	-	80.3	-
Other accounts receivable	1.0	-	1.8	-
Derivative financial instruments	1.5	-	-	28.4
	8,175.2	10,723.0	4,248.0	6,308.8
Total	18,898.2		10,556.8	

*The bond liability has been shown net of unamortized discount in the current year. In 2005, the unamortized was shown part of accounts receivable. The presentation of the comparatives has been changed in order to provide consistency.

	2006		2005	
	Weighted average interest rate	Weighted average period for which the interest rate is fixed	Weighted average interest rate	Weighted average period for which the interest rate is fixed
	%	Days	%	Days
Due from Group companies	4.18	334	4.08	81
Due from Associated companies	5.54	26	2.60	24

5 Liabilities current and long term

	2006		2005	
	Due within 1 Year	Due after 1 Year*	Due within 1 Year	Due after 1 Year*
	\$ million	\$ million	\$ million	\$ million
Bank overdraft	4.0	-	-	-
Non-convertible bonds	-	1,380.8	-	1,242.1
Payable to Group companies	6,458.0	4,776.3	4,181.3	5,062.7
Payable to Associated Companies	231.4	-	15.0	-
Accruals and deferred income	36.2	-	34.5	-
Other accounts payable	0.3	-	0.6	-
Derivative financial instruments	1.5	413.5	-	-
	6,731.4	6,570.6	4,231.4	6,304.8

*The bond liability has been shown net of unamortized discount in the current year. In 2005, the unamortized was shown part of accounts receivable. The presentation of the comparatives has been changed in order to provide consistency.

16-07-2007

Shell Finance (Netherlands) B.V.

Amounts due after more than five years, as included in long-term debt:

	2006	2005
	\$ million	\$ million
Payable to Group companies	896.7	868.9
	896.7	868.9

Liabilities with bank and credit institutions that are due after one year have financial derivatives attached. An analysis of liabilities due after one year is detailed below:

Category and Currency	\$ Equivalent Million	Interest Rate Applicable to Debt (%)	Characteristics of Hedge and interest rate basis
<u>Non-convertible bonds</u>			
€750m	987.1	3.50	This has been on lent at the same start, interest payment and maturity date at 3.51%.
€300m	393.7	3.25	This is swapped to GBP at 3 month LIBOR – 0.1625% Royal Dutch Shell plc guarantees both debt issuance programmes
<u>Payable to group companies</u>			
NZD 70m	49.4	8.48	On lent with margin retained of 1/8%
NZD 1,200m	847.3	8.47	On lent with margin retained of 0.01%
USD 3,717.9m	3,717.9	5.12	This is swapped to EUR at 3 month EURIBOR +0.7%
USD 171.9m	141.7	1.49	On lent with margin retained of 1.3%
USD 20m	20.0	6.08	On lent with margin retained of 0.01%
Derivative financial instruments	413.5		Payable in terms of cross currency interest rate swaps
	6,570.6		

16-07-2007

6 Shareholder's equity

During the year, the shareholder approved an increase in authorised share capital from 150,000 shares at a par value of EUR 454 per share to 500,000 shares at a par value of EUR 1,000 per share, resulting in a total nominal authorised share capital of EUR 500 million (2005: EUR 68.1m).

During April 2006 487,000 shares with a nominal value of EUR 487.0 million (USD 580.2 million) were issued and fully paid. Share premium resulting from the share issue amounted to USD 4,684.8 million.

According to the Company's Articles of Association, the shares are denominated in Euro (EUR 1,000 per share) and therefore it has been revalued based on the year-end rate resulting in a Cumulative Currency Translation Difference (CCTD).

The movements in shareholder's equity are summarised below:

	2006					2005
	Issued capital	Share premium	Other reserves	Unappropriated profit	Total	Total
	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million
As at 1 January	16.4	-	0.2	4.4	21.0	24.6
Share issue	580.2	4,684.8	-	-	5,265.0	-
Dividend paid	-	-	-	-	-	(8.0)
Unappropriated profit for the year	-	-	-	310.2	310.2	4.4
CCTD	62.3		(62.3)			
As at 31 December	658.9	4,684.8	(62.1)	314.6	5,596.2	21.0

7 Interest income and similar income

	2006	2005*
	\$ million	\$ million
Interest income:		
■ Group companies	765.4	247.5
■ Other participating interests	0.1	0.8
■ Banks and similar income	233.6	26.1
Currency exchange gains	26.4	0.8
	1,025.5	275.2

* Currency exchange gains/ losses, which was included as part of Interest and similar income in 2005, have been reclassified and disclosed on a net basis to provide consistency with the current year. The presentation of the comparatives has been changed in order to provide consistency. There has been no change to retained profit for the year.

16-07-2007

8 Interest expense and similar expenses

	2006	2005*
	\$ million	\$ million
Interest expense:		
■ Group companies	562.3	179.6
■ Other participating interests	22.2	12.7
■ Bank interest and similar expenses	217.0	75.3
	801.5	267.6

• Currency exchange gains/ losses, which was included as part of Interest and similar income in 2005, have been reclassified and disclosed on a net basis to provide consistency with the current year. The presentation of the comparatives has been changed in order to provide consistency. There has been no change to retained profit for the year.

9 Taxation

The effective tax rate in 2006 is (40%) in comparison to the nominal corporation tax rate in the Netherlands of 29.6% (2005: 30%). The main reconciling items are:

- Permanent differences arising from the participation exemption applied to the results from the financial fixed assets and related expenses.
- In 2006, the enacted tax rate per 1 January 2007 of 29.1% was applied to calculate the tax amount in the income statement because it was expected that the tax balance would be settled based on this tax rate.
- Income of USD 521m relating to non-taxable differences in exchange.

10 Financial Instruments

The Company, in the normal course of business, uses various types of financial instruments which expose the Company to market and credit risk. These include those recognised in the balance sheet ("on-balance sheet") and derivative financial instruments recognised outside of the balance sheet ("off-balance sheet"). Details of the role that financial instruments have in creating or changing risks faced by the Company including its objectives and policies in using financial instruments to manage risks are detailed in note 3 (f).

(a) On-balance sheet financial instruments

Financial instruments in the Balance Sheet include debt securities, accounts receivable and liabilities. The estimated fair values of these instruments approximate their carrying amounts.

The remainder of this note relates to derivative instruments.

(b) Interest rate risk

The Company uses derivatives, such as interest rate swaps, to manage its exposure to movements in interest rates and thus to help achieve target levels of interest income or expense. Receipts and payments on the interest rate instruments are recognised on an accrual basis over the life of the instrument.

Shell Finance (Netherlands) B.V.

The total contract/notional amounts and estimated fair values of Company's interest rate swaps at 31 December are given in the table below:

	2006		2005	
	Contract/ Notional amount	Estimated fair value	Contract/ Notional amount	Estimated fair value
	\$ million	\$ million	\$ million	\$ million
Interest rate swaps	394.9	5.4	355.6	2.9

(c) Foreign exchange risk

The Company uses foreign exchange derivatives, including cross currency interest rate swaps.

Cross currency interest rate swaps are acquired and held for hedging purposes. They are valued at historical cost, consistent with the basis applied to the underlying transactions. Amounts receivable and payable are recognised on an accrual basis over the life of the instrument. The Company does not trade in these derivatives for speculative purposes.

The total contract/notional amounts and estimated fair values of the Company's cross currency interest rate swaps at 31 December are given in the table below:

	2006		2005	
	Contract/ Notional amount	Estimated fair value	Contract/ Notional amount	Estimated fair value
	\$ million	\$ million	\$ million	\$ million
Cross currency swaps	5,132.4	9.8	4,375.3	20.5

In the judgement of the Board no losses which are material in relation to the Company's financial position are likely to arise in respect of these financial commitments as these liabilities can be set off against the contracts which are concluded with the contra amounts.

11 Employees and salary costs

The Company employed no personnel during 2006 or 2005 and therefore incurred no salary or related costs of employment. The Company receives services from other Group companies for which it is charged.

16-07-2007

Shell Finance (Netherlands) B.V.

12) Contingent liabilities

For the assessment of Netherlands income tax, the Company, together with Royal Dutch Shell plc and most of its subsidiaries established in the Netherlands, forms part of a fiscal unity. Pursuant to the applicable legal stipulations, each company is jointly and severally liable for the income tax to be paid by the companies involved in the fiscal unity.

The Company has entered into a number of guarantees and similar commitments. It has guaranteed the performance of obligations of Companies of the Royal Dutch Shell plc which arise from bank and other loans contracted and other agreements entered into by a number of Companies of Royal Dutch Shell plc. These loans and agreements are denominated in various currencies. At 31 December 2006, the equivalent in USD of the total of the obligations which the Company has guaranteed hereunder is approximately USD 689.7 million.

In the judgement of the Board no losses which are material in relation to the Company's financial position are likely to arise in respect of these contingent liabilities.

The Hague, 26 June 2007

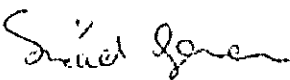
16-07-2007

Shell Finance (Netherlands) B.V.

For signature of the Annual Accounts as presented on pages 3 up to and including 16:

The Board of Management

F. P. Marret


S. Gorman

A. W. Longden


M. C. M. Brandjes


P. J. Ellingsworth

26 June 2007

16-07-2007

Shell Finance (Netherlands) B.V.

For signature of the Annual Accounts as presented on pages 3 up to and including 16:

The Board of Management

F. P. Marret

S. Gorman

A handwritten signature in black ink, appearing to be 'A. W. Longden', written over the printed name.

A. W. Longden

M. C. M Brandjes

P. J. Ellingsworth

16-07-2007

Shell Finance (Netherlands) B.V.

For signature of the Annual Accounts as presented on pages 3 up to and including 16: \

The Board of Management

F. P. Marret

A handwritten signature in black ink, consisting of a stylized 'F' followed by a series of loops and a long horizontal stroke.

S. Gorman

A. W. Longden

M. C. M Brandjes

P. J. Ellingsworth

16-07-2007

Shell Finance (Netherlands) B.V.

Other Information

1 Statutory rules as to appropriation of profit

Pursuant to Article 10, paragraph 3 of the Company's Articles of Association, profits are at the disposition of the General Meeting of Shareholders.

2 Proposed appropriation of results

It is proposed to add the profit for the year 2006, amounting to \$310.2 million to shareholder's equity.

3 Auditors' Report

Refer to page 19 for the Auditors' report.

16-07-2007

To the Board of Directors of Shell Finance Netherlands B.V.

Reference: FK/e0010697

Auditor's report

Report on the financial statements

We have audited the accompanying financial statements 2006 of Shell Finance Netherlands B.V. ("the Company"), The Hague, as set out on pages 5 to 17 which comprise the balance sheet as at 31 December 2006, the profit and loss account for the period then ended and the notes.

The management's responsibility

The management of the Company is responsible for the preparation and fair presentation of the financial statements and for the preparation of the management report, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Shell Finance Netherlands B.V. as at 31 December 2006, and of its result for the period then ended in accordance with Part 9 of Book 2, of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part e of the Netherlands Civil Code, we report, to the extent of our competence, that the management report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

The Hague, 26 June 2007

PricewaterhouseCoopers Accountants N.V.


F.J. Konings RA

16-07-2007



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27 juni 2007

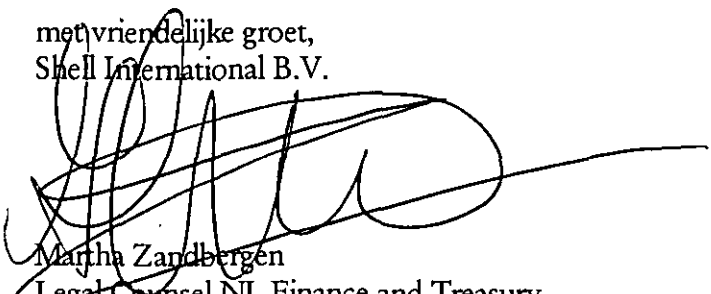
Geachte mevrouw/heer,

Bijgaand zend ik u een ingevuld formulier ten behoeve van het fysiek deponeren van de financiële verslaggeving van Shell Finance (Netherlands) B.V.

Tevens zend ik u een exemplaar van de financiële verslaggeving van Shell Finance (Netherlands) B.V. betreffende het boekjaar 2006.

Ik vertrouw erop u hiermee voldoende te hebben geïnformeerd.

met vriendelijke groet,
Shell International B.V.



Martha Zandbergen
Legal Counsel NL Finance and Treasury

16-07-2007