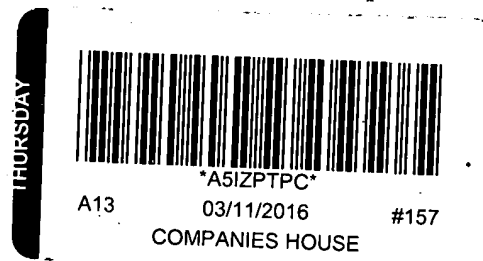


**ROYAL DUTCH SHELL PLC**  
**Registered Number: 04366849**

**UNAUDITED INTERIM ACCOUNTS**  
**FOR THE 3 MONTH PERIOD ENDED 30 SEPTEMBER 2016**



These interim accounts are prepared only for the purposes of Sections 836 and 838 of the Companies Act 2006. They are abridged and unaudited.

	<b>Unaudited Period from 1 July to 30 September 2016 \$ million</b>	<b>Unaudited Period from 1 April to 30 June 2016 \$ million</b>
<b>STATEMENT OF INCOME</b>		
Dividend income	1,489	1,268
Administrative expenses	(19)	(21)
Finance income	2	3
Finance expense	(6)	(18)
Income before taxation	<u>1,466</u>	<u>1,232</u>
Taxation	(5)	-
Income for the period	<u><u>1,461</u></u>	<u><u>1,232</u></u>

**STATEMENT OF COMPREHENSIVE INCOME**

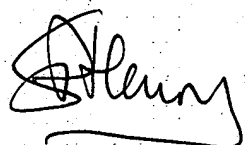
Income for the period	<u>1,461</u>	<u>1,232</u>
Comprehensive income for the period	<u><u>1,461</u></u>	<u><u>1,232</u></u>

**STATEMENT OF RETAINED EARNINGS**

Opening balance of retained earnings	19,291	20,483
Comprehensive income for the period	1,461	1,232
Dividends paid	(3,765)	(3,678)
Scrip dividends	1,106	1,241
Repurchase of shares	-	-
Share-based compensation	-	13
Closing balance of retained earnings	<u><u>18,093</u></u>	<u><u>19,291</u></u>

These interim accounts are prepared only for the purposes of Sections 836 and 838 of the Companies Act 2006. They are abridged and unaudited.

<b>BALANCE SHEET</b>	<b>Unaudited</b> <b>30 September 2016</b> <b>\$ million</b>	<b>Unaudited</b> <b>30 June 2016</b> <b>\$ million</b>
<b>Non-current assets</b>		
Investments in subsidiaries (Note 2)	256,341	256,475
Deferred tax	362	376
	<u>256,703</u>	<u>256,851</u>
<b>Current assets</b>		
Accounts receivable	1,332	2,315
Cash and cash equivalents	554	507
	<u>1,886</u>	<u>2,822</u>
<b>Total assets</b>	<u>258,589</u>	<u>259,673</u>
<b>Non-current liabilities</b>		
Accounts payable and accrued liabilities	151	141
	<u>151</u>	<u>141</u>
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	4,231	4,240
	<u>4,231</u>	<u>4,240</u>
<b>Total liabilities</b>	<u>4,382</u>	<u>4,381</u>
<b>Equity</b>		
Ordinary share capital (Note 3)	679	675
Other reserves (Note 4)	235,435	235,326
Retained earnings	18,093	19,291
<b>Total equity</b>	<u>254,207</u>	<u>255,292</u>
<b>Total liabilities and equity</b>	<u>258,589</u>	<u>259,673</u>



Simon Henry  
Director

1<sup>st</sup> November 2016

## Notes to Financial Statements

### 1. Accounting policies and convention

The accounting policies of Royal Dutch Shell plc ('the Company') are explained in the relevant notes.

The interim accounts and notes on pages 1 to 5 herein have been prepared to support the proposed dividends on the Class A and B Ordinary shares in accordance with and for the purposes of sections 836 and 838 of the Companies Act 2006, for determining whether the proposed distribution would contravene the said Act, and also to support any share buybacks. They have been prepared on the basis of accounting policies which are in accordance with International Financial Reporting Standards ('IFRS'). These interim accounts are abridged and unaudited.

The accounts have been prepared under the historical cost convention except for certain items measured at fair value.

These interim accounts do not constitute statutory accounts within the meaning of sections 434(3) of the Companies Act 2006. Statutory accounts for the year ended 31 December 2015 were published in Shell's Annual Report and delivered to the Registrar of Companies in England and Wales. The auditor's report on those accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report, and did not contain any statement under sections 498(2) or (3) of the Companies Act 2006. No statutory accounts have been delivered to the Registrar of Companies in England and Wales in respect of the period covered by these interim accounts.

### 2. Investments in subsidiaries

Investments in subsidiaries are stated at cost, net of any impairment. The fair value of share-based compensation for equity-settled plans granted to employees of subsidiaries under the Company's plans is recognised as an investment in subsidiaries from the date of grant over the vesting period with a corresponding increase in equity. The change in the fair value of share-based compensation for cash-settled plans relating to employees of subsidiaries is recognised as an investment in subsidiaries with a corresponding change in liabilities. In the year of vesting of a plan, the costs for the actual deliveries are charged to the relevant employing subsidiaries. This is recognised as a realisation of the investment originally booked. If the actual vesting costs are higher than the cumulatively recognised share-based compensation charge, the difference is recognised in income.

On February 15, 2016, the Company acquired all the voting rights in BG Group plc (BG) by means of a Scheme of Arrangement under Part 26 of the Companies Act 2006 in exchange for cash of £13.1 billion (\$19.0 billion) and 218.7 million A shares and 1,305.1 million B shares issued, with a total fair value of \$34.1 billion. The fair value of the shares issued was calculated using the market price of the Company's A and B shares of 1,545.0 and 1,538.5 pence respectively on the London Stock Exchange at its opening of business on February 15, 2016.

### 3. Ordinary share capital

At 30 September 2016 the issued share capital of the Company was:

	Nominal value original currency	Nominal value \$ million
4,369,954,444 (30 June 2016: 4,325,899,655) Class A shares of €0.07 each	€305,896,811	370
3,745,486,731 (30 June 2016: 3,745,486,731) Class B shares of €0.07 each	€262,184,071	309
50,000 (30 June 2016: 50,000) Sterling deferred shares of £1 each	£50,000	-
<b>Total</b>		<b>679</b>

#### 4. Other reserves

Other reserves consist of:

- Merger reserve, which was established as a consequence of the Company becoming the single parent company of Royal Dutch and Shell Transport, and represented the difference between the cost of the investment in those companies and the nominal value of shares issued in exchange for those investments as required by the prevailing legislation at that time, section 131 of the Companies Act 1985.
- A second merger reserve, which was established as a consequence of the Company acquiring BG on 15 February, 2016 (see Note 2), and represented the difference between the fair value of shares issued in exchange for this investment and the nominal value of the shares as required by the prevailing legislation at that time, section 612 of the Companies Act 2006.
- Capital redemption reserve, which was established in connection with repurchases of shares of the Company.
- Share plan reserve, which represents the fair value of share-based compensation under the Company's equity-settled plans currently in issue.
- Share premium reserve, which represents the difference between the carrying value of loan notes converted to 4,827,974 Class A shares on 6 January 2006, and the nominal value of those shares.