

## **Part 2**

*Operatorship*  
*Shell the partner of choice*

- Unique relations with governments and national oil companies
- Superior global capabilities across EP/GP value chain
  - Leverage the technology base
  - Diverse pool of world wide talents and experience
- Positive influence and risk containment
- Lowest unit finding and development cost

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NOTES:

## *Q1 2000 highlights*

Exploration & Production  
Gas & Power

- Portfolio actions
  - Azerbaijan 25% farm-in
  - USA Altura sale to Oxy, CO<sub>2</sub> assets to Kinder Morgan
  - Malampaya 10% dilution to PNOOC
- New Zealand discovery
- Canada Sable Island on stream
- Start-up of Oman LNG and Nigeria LNG 2nd train
- Regasification terminal agreements in Brazil and India
- Development of Marketing & Trading in Coral
- Pulse Energy J.V. in Australia

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NOTES:

## WellDynamics

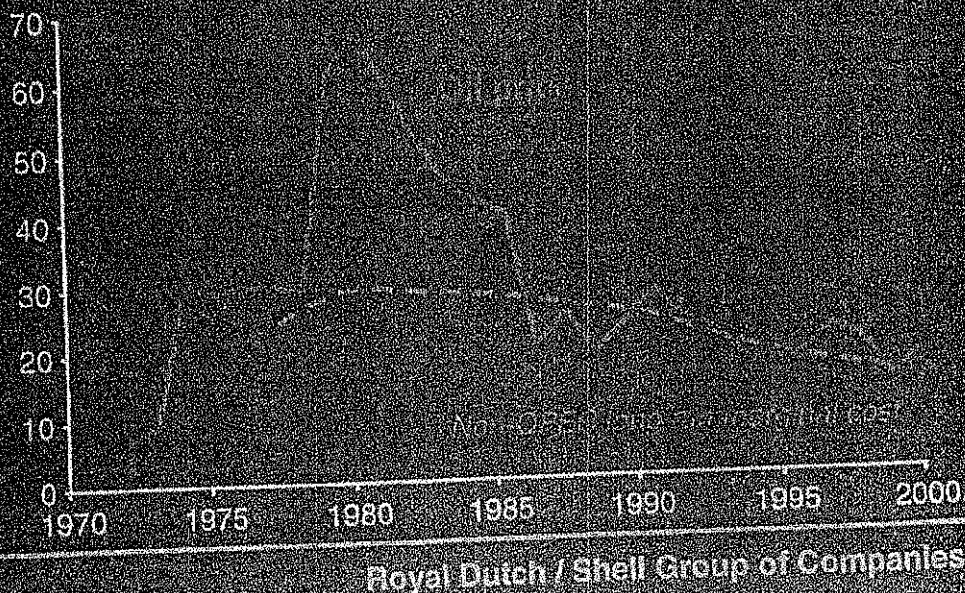
- o A 50/50 Joint Venture between Shell and Halliburton
- o Will develop the technologies of
  - Shell's iWell™
  - Halliburton's SmartWell™
- o Combines the complementary capabilities and technologies of
  - A major operator
  - A major service company
  - The market leading innovator of SmartWell™ intelligent completions technology
- o Will be a major player in an expected \$1 billion p.a. market

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### NOTES:

*Brent oil prices expected to average  
\$14/bbl over planning period*

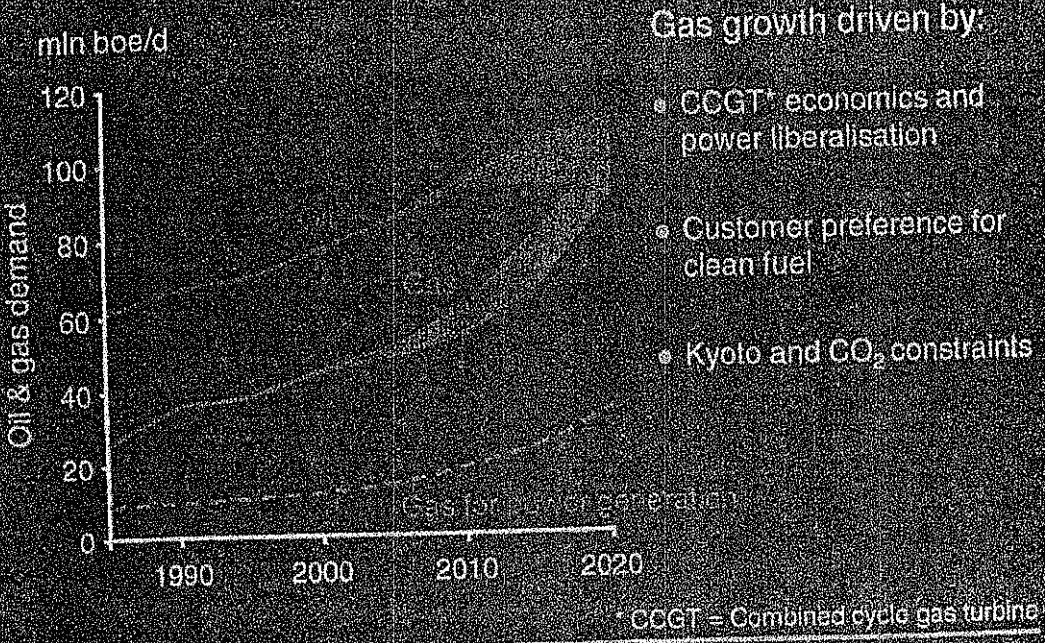
1998 real terms \$/bbl



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## *Gas grows faster than oil*



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### NOTES:

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## *EP strategy*

- Near term performance improvement
- Long term profitable growth

### By leveraging

- Existing assets:
  - reserves
  - infrastructure
- Key skills and technologies
- Operated volumes
- Strategic relationships and reputation
- Linkage with GP, OP

"Value of integration"

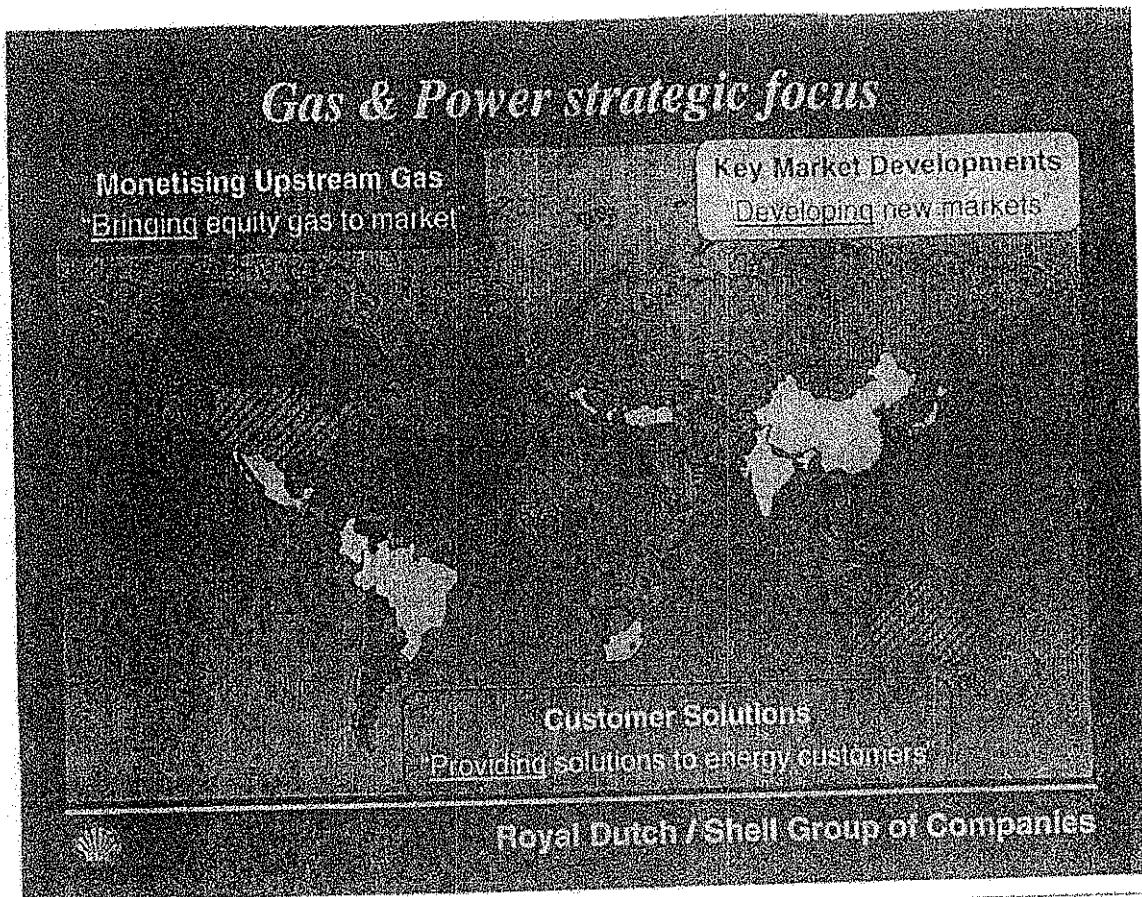
### Focus

- Existing ventures
- Global deepwater
- Major Resource Holders
- "Shift to Gas"
- Oil sands

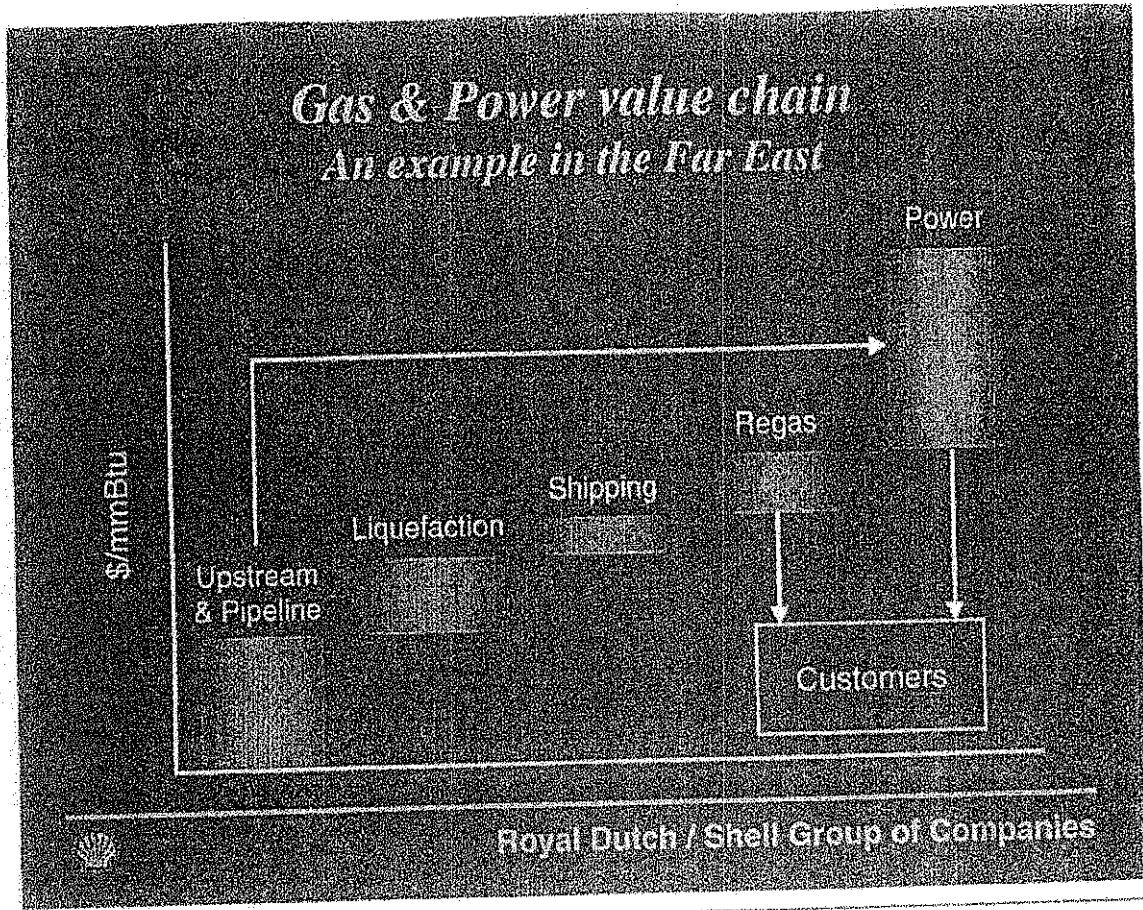
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### NOTES:

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## *New ways of managing the business*

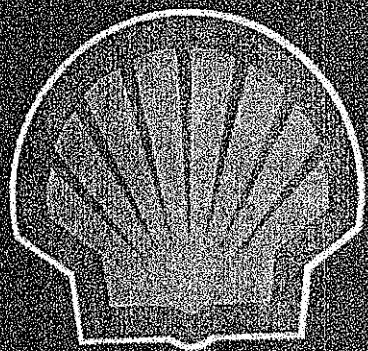
- Global business and technology
- Accountability
- Global strategies
- Strategic Cost Leadership
- Capital efficiency
- Active portfolio management

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### NOTES:

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*Dominique Gardy*



*Delivering our promises*

NOTES:

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