



SHELL GRANTS P&O EXCLUSIVE RIGHTS FOR REDEVELOPMENT OF SHELL HAVEN REFINERY

27th January 2000

Shell U.K. Limited has granted P&O exclusive rights to progress proposals for the recently closed Shell Haven Refinery at Stanford-le-Hope in Essex. Under the terms of their exclusivity agreement P&O Ports will develop plans for the port area of the site with a view to establishing a world class container terminal and other port service facilities. P&O will also develop proposals for the rest of the site. Shell and P&O are confident that the final detailed agreements will be completed within three months.

Mark Stevens, Shell Haven Refinery manager, welcomed the agreement: "I'm delighted that a company with such an established reputation as P&O is leading the redevelopment of the refinery site. Shell and P&O have worked together in the past and we are confident that this agreement will lead to another successful partnership.

"The venture is a good example of two major companies working together with a local authority – in this case Thurrock – and other third parties, including the Port of London Authority, to encourage growth and employment in the area."

Alistair Baillie, Director, P&O Ports, said: "We are very pleased to have been selected to progress the redevelopment of the Shell Haven site which provides us with an exciting growth opportunity for our UK container and other port services businesses. Shell Haven's combination of extensive waterfront, deep water berths, existing rail links and its sheer size offers us a unique opportunity for a major port facility which, when fully developed, could handle over 1 million containers."

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Note to Editors

1. The closure of Shell Haven Refinery was announced in September 1998. All production stopped in December 1999 apart from the bitumen plant which is carrying on as a separate operation.
2. Shell Haven Refinery is situated on the Thames Estuary at Stanford-Le-Hope in Essex. It has 2.5 miles of waterfront served by five jetties, and is well-connected by road and rail links.
3. P&O Ports is a wholly owned subsidiary of the P&O Group. It operates over 20 container terminals in 15 countries with other cargo handling interests in a further 30 ports. In the UK P&O Ports has a 51% shareholding (Associated British Ports 49%) in Southampton Container Terminal which handled about 930,000 teu* in 1999. It also has a 34% shareholding (with Forth Ports and Associated British Ports) in Tilbury Container Services which had a throughput of approximately 250,000 teu in 1999.

* teu = twenty foot equivalent unit. This is the standard size of container and is a common measure of capacity in the container business.

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