

Trusted to deliver excellence

Rolls-Royce corporate overview

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Rolls-Royce

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Rolls-Royce is a world-leading provider of integrated power systems for customers in four markets; civil aerospace, defence aerospace, marine and energy. Our broad customer base, coupled with an extensive product and services portfolio, underpins our success across 120 countries.

At Rolls-Royce, we combine cutting-edge technologies with passionate and highly skilled individuals to produce products and services that operate in some of the world's most challenging environments.

From locations in 50 countries, we design, manufacture and integrate our products and systems to world-class standards, and support our customers through the life of every product.

Our ability to design and develop high-technology products and integrate these into sophisticated power systems for land, sea and air, brings us access to global markets

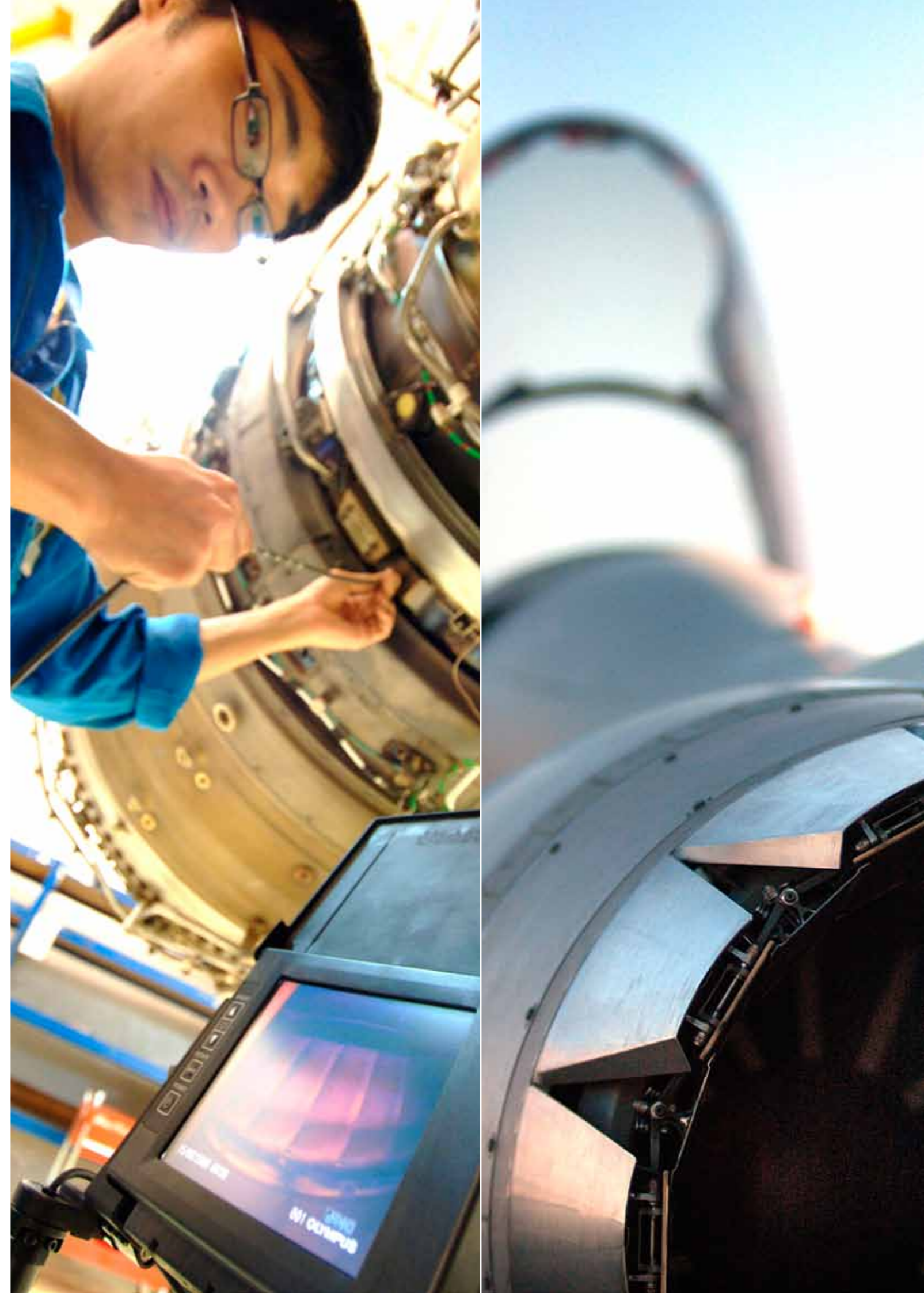


Rolls-Royce

Our strategy comprises five key elements

1. **Addressing four global markets.** We are a leading producer of integrated power systems for the civil aerospace, defence aerospace, marine and energy markets.
2. **Investing in technology, infrastructure and capability.** We invest an average of £800 million annually in research and development, and last year spent over £350 million in capital infrastructure and projects. We also invest substantially in developing our employees.
3. **Developing a competitive portfolio of products and services.** We have 40 major engineering programmes and, in the markets we serve, are involved in key projects which will define the power systems market for many years.
4. **Growing market share and installed product base.** We expect the installed base of our products already in service to generate attractive returns over many decades.
5. **Adding value for our customers by providing product-related services.** Our aftermarket services maximise the performance and reliability of our products for our customers.

Our consistent strategy, applied over many years, has helped achieve a broad, balanced and resilient portfolio of products and services



Rolls-Royce

Investing globally to support future growth

Our consistent investment in a broad portfolio of products and services, and our long-term customer relationships, have allowed us access to a wide range of international markets. As our portfolio of products and services has grown so has our order book, whilst revenue, profits and cash flow have also increased.

In order to deliver this record order book we continue to invest in world-class facilities around the globe, spending £2.9 billion over the last ten years on capital projects.

Through organic growth alone we will double our turnover between now and 2020.

Today's growing and global Rolls-Royce business is the result of investments and technological developments made over many years



Civil aerospace

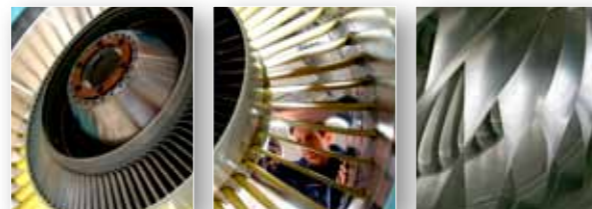
A Rolls-Royce-powered aircraft takes off or lands every 2.5 seconds

Airlines and their customers rely on Rolls-Royce. Aircraft powered by our engines fly one million miles every hour, keeping society and the economy on the move. From helicopters and general aviation aircraft, to business jets and the world's largest airliners, we offer the broadest civil engine range of any manufacturer, powering 30 types of commercial aircraft.

In the widebody sector, we work closely with the major aircraft manufacturers, and our new engines power the Airbus A350 XWB and the Boeing 787 Dreamliner™. Our Trent® engine family holds a market-leading position on the popular Airbus A330, and we are enjoying much success in the growing Asian markets.

In the narrowbody market there are now more than 4,500 V2500 engines flying, with more than 190 airlines. We also continue to win sales in the corporate and regional markets and will power the new Gulfstream G650 when it enters into service.

There are over 13,500 Rolls-Royce engines currently in service





Defence aerospace

160 armed forces depend on our engines

We are the world's second largest provider of defence aero-engine products and services, with 160 customers in 103 countries. Rolls-Royce engines power all sectors of the market: transport, combat, reconnaissance, training, helicopters and unmanned aerial vehicles.

In the combat sector, we are participating in two of the world's largest combat programmes, supplying hardware and technical expertise for both the Eurofighter Typhoon and Joint Strike Fighter F-35 aircraft. In the transport sector we are a world leader.

Our broad product portfolio and strong service and support continue to attract defence spending in our key US and European markets, as well as securing new orders from emerging economies.

We have 18,000 engines currently in service

**We maintain a key presence on US and European
aircraft programmes**





Marine

30,000 commercial and naval vessels use our marine equipment

Rolls-Royce has a world-leading range of capabilities in the marine market, encompassing the design, supply and support of power and propulsion systems.

We have a significant presence in the naval market, powering 70 navies worldwide and pioneering some of the most important technological advances in marine propulsion, both surface and submarine.

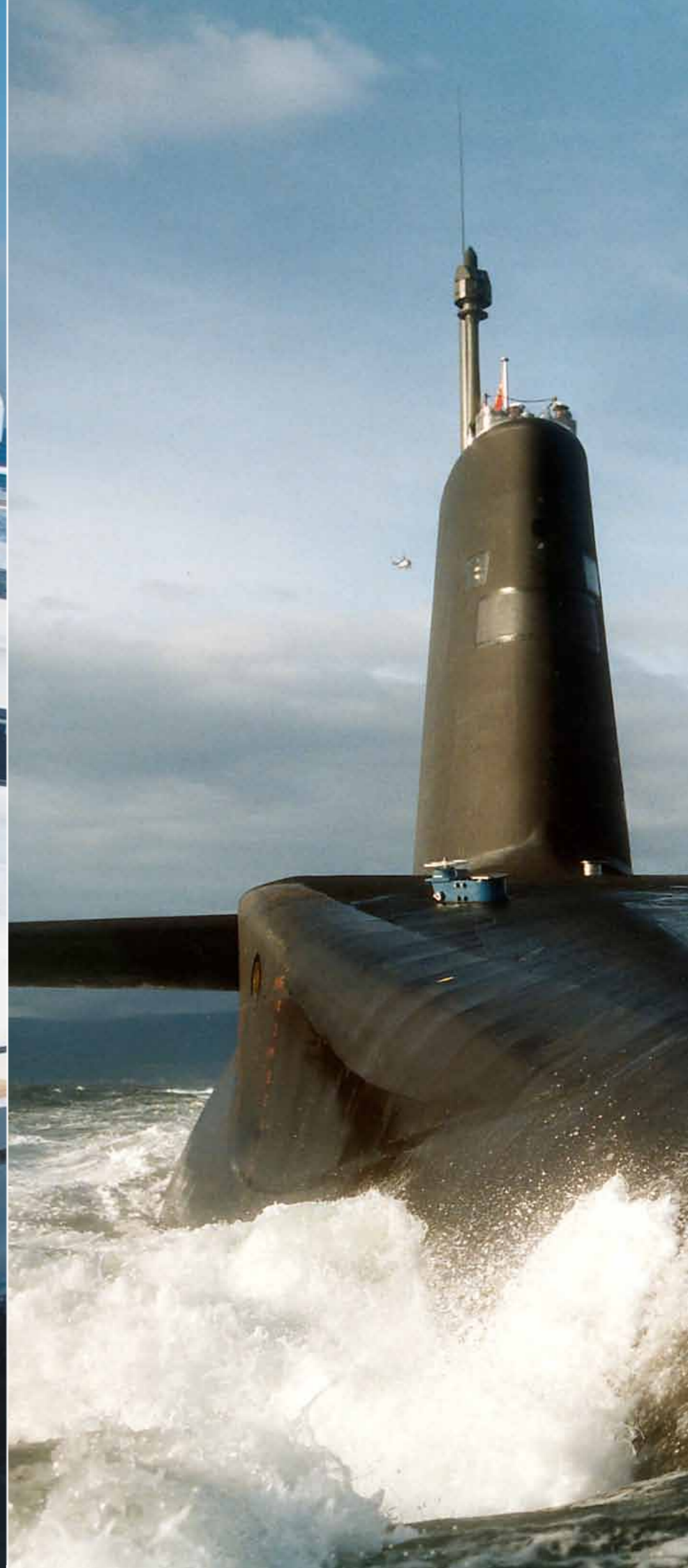
As the oil and gas industry continues to explore ever deeper waters, the capabilities that the business now has in these highly skilled areas mean that we continue to be a strong partner for our offshore and production customers.

We have also broadened our reach into the merchant and coastal vessels markets, including the cargo, passenger and luxury yacht industries, as well as smaller work boats and fishing vessels.

Rolls-Royce has 2,500 marine customers around the world

We have a wider range of marine products than any other single supplier





Energy

Powering customers in 120 countries in electricity, oil and gas markets

Our products operate in harsh conditions in some of the world's most remote locations. Rolls-Royce gas turbines provide power to over 60 major pipelines in 26 countries supporting these essential arteries in the world's energy network.

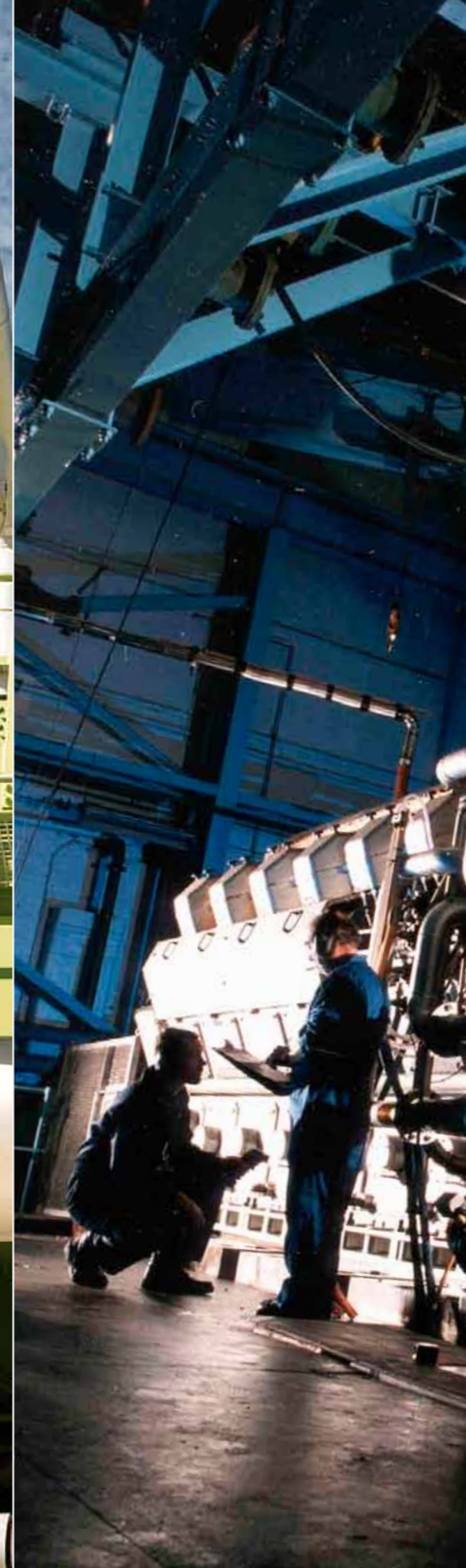
Our increasingly clean and efficient, aero-derived gas turbine and reciprocating engines are used in a wide variety of power generation plants and are attracting new orders from across the world.

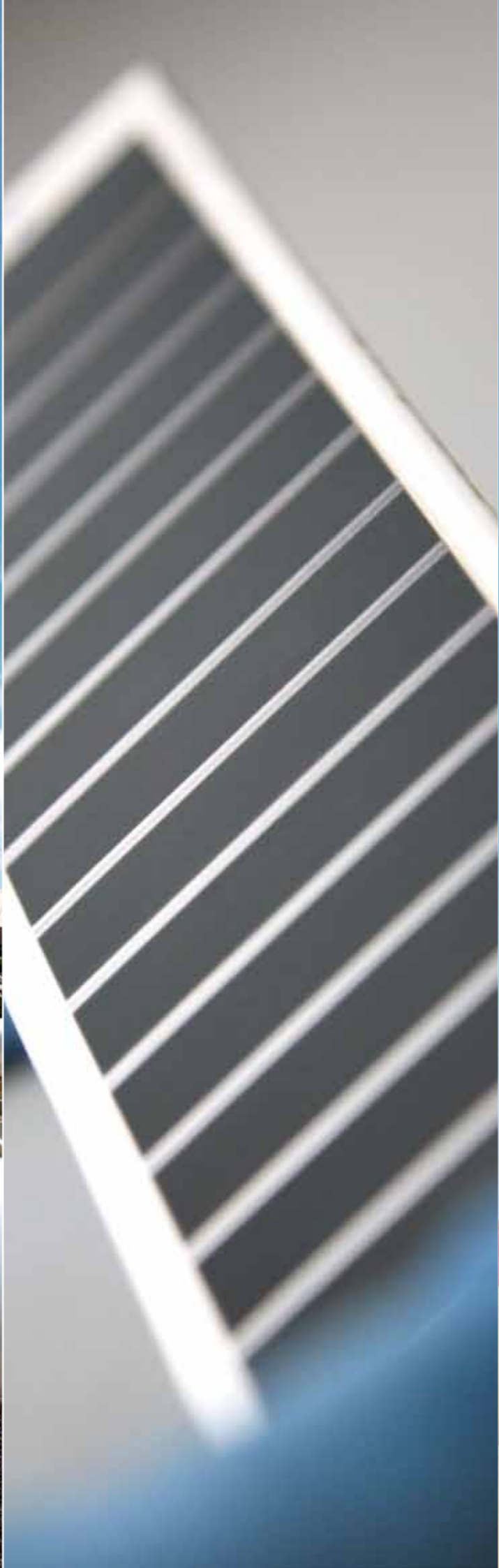
We continue to invest in developing new technologies and are at the forefront of low carbon and renewable energy products.

We are developing fuel cell technology, and have successfully tested tidal power generation with a view to establishing a commercially available product. We are also developing a civil nuclear capability in the power generation market.

Rolls-Royce is a world leader in the supply of power for onshore and offshore oil and gas applications

We have a growing position in the power generation industry





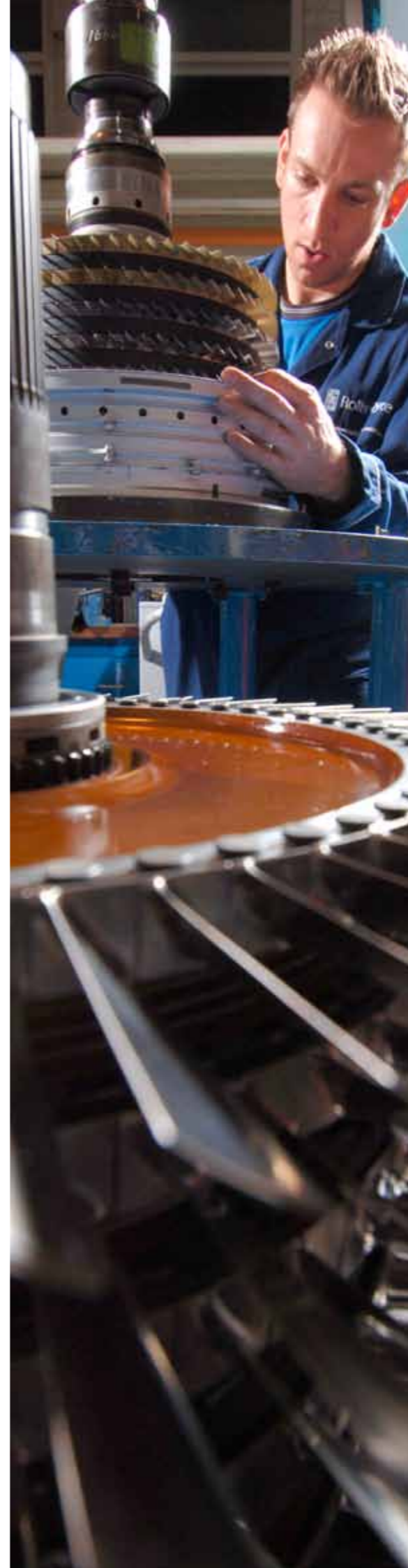
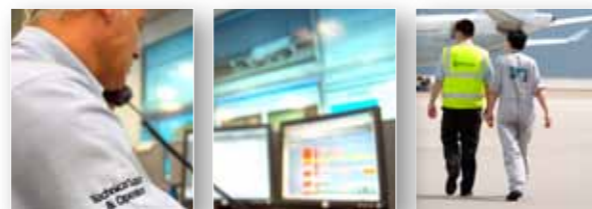
Rolls-Royce services

A worldwide network of support

Revenue from our service activities now provides over one half of the Group's revenues. As the original equipment manufacturer, we are best placed to provide long-term support, care and planned maintenance. To do so, we have developed a global network of repair and overhaul centres in key locations around the world, close to our customers.

We package our comprehensive service capabilities into long-term support agreements. For example, Rolls-Royce TotalCare® now covers 76 per cent of the civil large engine fleet, and almost 350 industrial gas turbines are covered by long-term service contracts. Each package is aligned to the customer's specific operational needs, helping maximise the availability and efficient operation of their equipment and operations.

Rolls-Royce adds value for customers with comprehensive and advanced services that enhance the performance and reliability of its products



Research and development

Delivering today, investing for the future

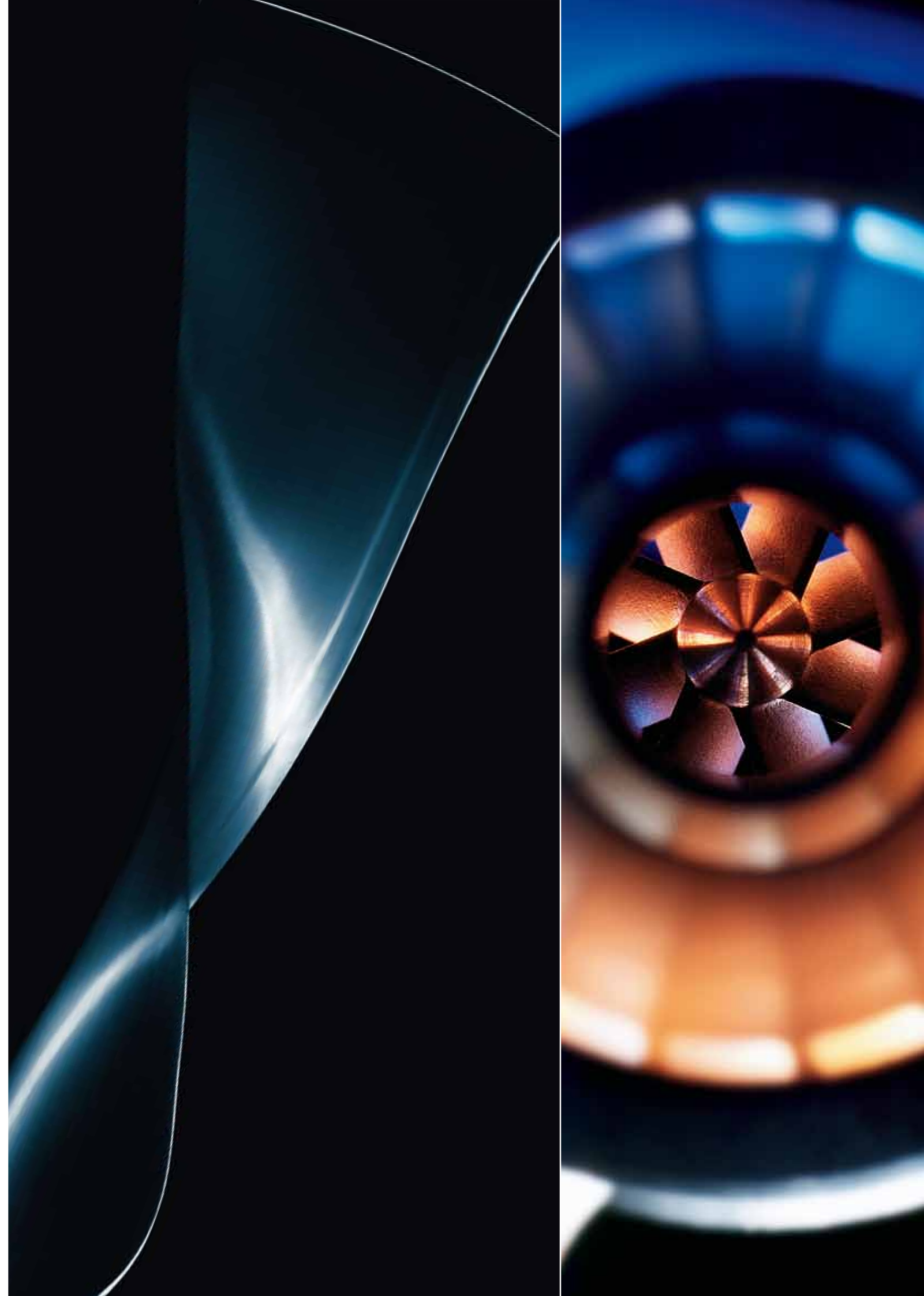
Research and development are fundamental to our business, providing technologies and intellectual property that enable us to prosper on a global basis in highly competitive markets. We invest around £800 million annually in research and development, two thirds of which is aimed at further improving the environmental performance of our products and operations.

Over 10,000 product, engineering and technology specialists, covering more than 40 major programmes, carry out our engineering and technology activities. This work is truly global, with our main engineering centres located in the UK, US, Germany, the Nordic countries, Singapore and India.

A worldwide network of 28 Rolls-Royce University Technology Centres supports our advanced research, working across a range of specialist areas such as materials, noise, vibration and combustion.

**Over the past ten years we have invested nearly
£8 billion in research and development**

We apply for around 450 patents each year



Global workforce

Continuous investment in training and development

Rolls-Royce today reflects the global nature of its customer base, employing a diverse workforce of around 40,000 people, in 50 countries worldwide, in our offices, manufacturing facilities and service bases.

We aim to create an inclusive working environment that attracts and retains the best people, enhances their flexibility, capability and motivation, and encourages them to be involved in the ongoing success of the Group. All employees have access to learning to help them improve their performance, as well as enhance their career development opportunities.

We are regularly ranked in The Times newspaper's Top 100 UK Graduate Employers and are now listed among Singapore's Top 100 Graduate employers. Our graduate programme recruits from 73 universities worldwide

We invest £33 million in training and development annually

Our UK apprenticeship programme was rated 'outstanding' by Ofsted



Sustainability

A fundamental part of life at Rolls-Royce

Being a responsible corporate citizen is key to the success of Rolls-Royce. We recognise and appreciate the social responsibilities that come from being a major employer, neighbour and partner as we conduct our business around the world.

We also recognise that the products and services we deliver are critical to the operations, the success and the safety of our customers, and we pay the highest attention to product responsibility.

**Conducting business in a responsible manner
helps us:**

- attract and retain the best people
- build goodwill and maintain successful working relationships
- support the communities in which our employees live and work



The environment

Rolls-Royce - powering a better world

We see our business activities in the broader context of sustainable development. A secure supply of affordable energy is a prerequisite for sustainable economic growth, which in turn provides the foundations for social development. New forms of power and propulsion systems are required to address climate change and other pressing and complex environmental challenges.

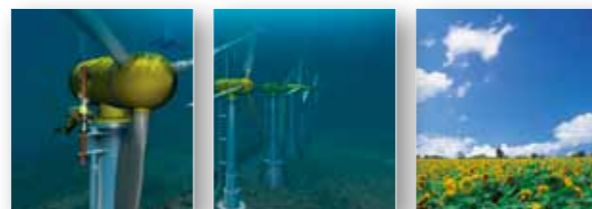
We continue to research new low-emission and renewable energy products, and believe we can help society develop new solutions which protect the environment. Technology will play a critical role and innovation will be vital. We possess highly relevant skills that we can apply to these challenges.

Environment strategy:

Maintain our drive to reduce the environmental impact of all our business activities

Further reduce the environmental impact of our products

Develop entirely new low emission and renewable energy products





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