



15 July, 2008

ROLLS-ROYCE AND ABU DHABI'S MUBADALA LAUNCH NEW AVIATION JOINT VENTURE

Rolls-Royce and Mubadala Development Company (Mubadala), the business development and investment company located in Abu Dhabi, the capital of the United Arab Emirates, today announced the launch of a new joint venture company to serve the rapidly expanding Middle East aviation services market.

The new joint venture will offer On-Wing Care through Abu Dhabi Aircraft Technologies (ADAT), which is the 12th largest maintenance, repair and overhaul company in the world. Services will include provision for a wide range of specialist line maintenance support services from boroscoping to engine changes for Rolls-Royce Trent family operators in the region. In addition, it will also launch a new service to provide asset management services for engine system accessories.

The new company joins a worldwide network of centres which can offer specialised support services at the closest point of operation for Rolls-Royce customers.

Homaid Al Shemmari, Director of Mubadala Aerospace, said: *"Our partnerships with world-class companies like Rolls-Royce are solidifying the creation of Abu Dhabi's aerospace hub. Specifically, this joint venture will attract knowledge intensive industries to Abu Dhabi."*

Miles Cowdry, President - Services, at Rolls-Royce said: *"The Middle East is a rapidly growing market, and the United Arab Emirates presents a major hub for airlines and aerospace activities within the region."*

"The launch of this joint venture in Abu Dhabi extends our existing presence and close partnership with Mubadala. On-Wing Care and the launch of the line replacement units leasing pool form a valuable operational support to our customers and are part of our comprehensive, global service strategy."

Rolls-Royce has On-Wing Care service centres in London, Hong Kong, Frankfurt, Indianapolis and Singapore. The centre in Abu Dhabi will predominantly support the growing Trent engine family.

Abu Dhabi's existing aerospace cluster is evolving rapidly into a significant global aerospace hub. Mubadala is investing the capital and building partnerships needed to

develop an integrated sector consisting of manufacturing, maintenance, repair and overhaul, education, training, research and development.

Notes to editors:

Rolls-Royce

1. Revenue from aftermarket services comprises 63 per cent of Rolls-Royce's Civil Aerospace revenues. Today more than 55 per cent of the company's modern jet engine fleet is covered by TotalCare® or CorporateCare® service agreements. With around 80 per cent of civil engine orders announced by Rolls-Royce in the last 18 months incorporating service arrangements, the proportion of fleet coverage will continue to rise, giving increased visibility of revenues.
2. Rolls-Royce has a growing presence in the Middle East, where it is playing an important role in the development of the region across all the Group's sectors - civil aerospace, defence aerospace, marine and energy.
3. The Group's involvement with Mubadala began in 2005 with a Memorandum of Understanding with Mubadala to explore a number of mutually beneficial opportunities across the Middle East. The relationship between Rolls-Royce and Abu Dhabi began more than 30 years ago with Avon gas turbines which have been used by Abu Dhabi to pump its oil since 1973. Rolls-Royce aero gas turbines have been maintained in Mubadala's wholly-owned Abu Dhabi Aircraft Technologies facilities for more than 20 years.
4. In the energy sector, the Dolphin gas-pipeline project, in which Mubadala has a 5 per cent share, launched the Industrial Trent gas turbines. The five industrial engines derived from our Trent aero-engine family will pump 2 billion cu. ft of gas per day through 370 kilometres of pipeline from Qatar. Rolls-Royce has 400 industrial gas turbines in the region.
5. The Group has more than 1,000 military engines in operation in the region, covering all the defence market sectors, including the Adour, powering Hawk trainers and the T56 on C-130 transport aircraft, as well as numerous helicopter engines.
6. Marine products are in service throughout the commercial and naval sectors. UT Design offshore support vessels are being built for Abu Dhabi.
7. In April 2008, Rolls-Royce signed an MoU with Al Taif Technical Services, which is wholly-owned by Mubadala, under which it will provide service support to Rolls-Royce Distributed Generation Systems.
8. Rolls-Royce is also participating in the Masdar vision to position Abu Dhabi as a world-class research and development hub for new energy technologies. It is being managed by the Abu Dhabi Future Energy Company (ADFEC), a government-owned organisation wholly-owned by Mubadala Development Company.

For further information please contact:

Neil Williams

Rolls-Royce Media Team at Farnborough (July 14-17)

Tel +44 (0) 1252 414731

Email: farnboroughmediateam@rolls-royce.com