

### Group

£5,939m

Turnover

150

Countries served

35,400

Employees

### Overview

Rolls-Royce is a global Group with offices, service centres or manufacturing bases in 50 countries. The Group invests in technology and capabilities that can be exploited in each of its market sectors: civil aerospace, defence aerospace, marine and energy.

### 2004 Highlights

- 21 per cent gain in underlying pre-tax profits.
- 41 per cent reduction in average net debt.
- Continued growth in services revenues.
- Record year-end order book.

Rolls-Royce is a strong Group with revenues balanced between original equipment sales and high value-added services.

Our four business markets are united by common technology focused on the gas turbine.

We create value by investing in technology once and using it many times.



1=4

## Civil aerospace

£3,040m  
51%  
of Group sales



### 2004 Highlights

- Trent 1000 engine – selected by Boeing for the new 7E7 Dreamliner aircraft, now renamed the 787, and selected for the first two orders of 787s, including first delivery position for All Nippon Airways.
- Trent 900 engine for the Airbus A380 achieved its Airworthiness Certificate on schedule in October, paving the way for first flight early in 2005.
- Malaysia Airlines became the fifth Airbus A380 customer to select the Trent 900 engine.
- China Eastern ordered Trent 700 engines to power 20 Airbus A330 aircraft.
- International Aero Engines delivered the 2,500th V2500 and ended the year with 950 engines in the firm order book and a further 1,100 option orders.

## Defence aerospace

£1,374m  
23%  
of Group sales



### 2004 Highlights

- Confirmation of Tranche 2 of Eurofighter Typhoon, worth more than £750 million to Rolls-Royce.
- Joint Strike Fighter programme milestones achieved – successful testing of F136 engine and operation of the Rolls-Royce LiftSystem®.
- Successful conclusion of preliminary design review of the TP400-D6 engine for the Airbus A400M transport aircraft.
- Selection by Oman of the RTM322 engine to power 20 NH90 helicopters.
- Maiden flight of the BR710-powered Nimrod MRA4 reconnaissance aircraft.
- Over 1,100 military engines and 1,800 military engine modules are now covered by Mission Ready Management Solutions long-term service contracts.

## Marine

£963m  
16%  
of Group sales



### 2004 Highlights

- Lockheed Martin selected MT30 gas turbines and Kamewa waterjets for the first prototype ship in the US Navy's Littoral Combat Ship programme.
- Orders worth £166 million were taken for design and propulsion equipment packages in the offshore sector in the last six months of 2004.
- Rolls-Royce was selected to supply nine gas turbine generator sets for the Republic of Korea Navy's KDX III destroyer programme.
- The UK Ministry of Defence, acting on behalf of the UK, France and Norway, selected Rolls-Royce to provide the NATO Submarine Rescue System.
- The Group penetrated new markets with offshore-derived technology, including coastal protection vessels for Norway and France and pollution control variants for India.

## Energy

£489m  
8%  
of Group sales



### 2004 Highlights

- Second consecutive year of record order intake.
- Trent gas compression packages ordered for the Dolphin Energy Limited gas pipeline and 20 RB211 packages ordered for the West-East China Pipeline Project.
- Industrial Trent launched into the oil & gas market.
- New cost-effective package design completed for the industrial Trent.
- RB211 was world market share leader for oil & gas applications in its size range.
- Geographic footprint of installed product base in the oil & gas sector continued to expand.
- Record year for Long-Term Service Agreement contracts.

Note: Sales analysis excludes Financial Services, £73 million