N E W S R E L E A S E

Rolls-Royce

20 April 2006

2006 winners of Rolls-Royce Merit Scholarships announced

Rolls-Royce, the world-leading provider of power systems and services for use on land, at sea and in the air, today congratulated the winners of the Rolls-Royce Merit Scholarship Award, through which the company provides an annual stipend of $2,000 for each of the winners' four years of college.

Since 2004, Rolls-Royce has partnered with the National Merit Scholarship Corporation (NMSC) to offer Rolls-Royce Merit Scholarship Awards to children of eligible employees.

This year's winners are: Andrew T. Cherolis, son of Nicholas E. Cherolis, technical leader, failure analysis, and Mary Jane Stine, stepdaughter of Doug Smock, staff reliability engineer, life cycle engineering, both of Rolls-Royce Corporation, Indianapolis, IN.

Jim Guyette, President and CEO, Rolls-Royce North America, said: *"Rolls-Royce Merit Scholarships allow us celebrate academic excellence in our own family. We hope they will help our Rolls-Royce parents and guardians continue to encourage their children in the pursuit of academic achievement.*

"We applaud Andy and Mary Jane on their tremendous academic performance and know they have bright futures ahead of them. I'm sure their families are very proud of them, and we are, too!"

Corporate note to editors:

1. Rolls-Royce Merit Scholarships are offered through the National Merit Scholarship Program, an annual academic competition open to all US high school students who meet published participation requirements. Candidates for the Rolls-Royce Merit Scholarship awards must meet all eligibility requirements as defined by NMSC and have a parent employed by a Rolls-Royce company. Winners are determined by NMSC and are judged to have the strongest combination of academic skills and achievements, extracurricular accomplishments and potential for success in rigorous college studies. For more information about NMSC or its programs, go to www.nationalmerit.org.

2. Rolls-Royce operates in four global markets – civil aerospace, defense aerospace, marine and energy and is a major industry player in North

America. The company employs some 7,300 people at more than 64 locations in 26 US states and eight sites in six Canadian provinces.

3. Global company annual sales total $12 billion of which $3.9 billion are from North American businesses. The company's total US investment stands at $1 billion and growing. US interests hold more than 30 per cent of Rolls-Royce shares. More Rolls-Royce engines are built in the US than anywhere else in the world.

4. Rolls-Royce North America is a socially responsible corporate citizen and a good neighbor. The company and its employees actively support their local communities. In 2005, the organization contributed more than $600,000 to philanthropic causes and efforts across the region.

For more information, please contact:

Mia K. Walton
Senior Vice President - Corporate Communications
Rolls-Royce North America Inc.
Tel: (703) 621-2709
Email: mia.walton@rolls-royce.com

Ginny Person
Communications Associate
Rolls-Royce North America Inc.
Tel: (703) 621-2764
Email: ginny.person@rolls-royce.com