

Restatement of Rolls-Royce Holdings plc Business Segments

Underlying previously reported, 30 June 2013					Underlying restated, 30 June 2013				
	OE revenue £m	Aftermarket revenue £m	Total £m	Profit before financing £m		OE revenue £m	Aftermarket revenue £m	Total £m	Profit before financing £m
Civil aerospace	1,422	1,779	3,201	486	Aerospace Civil	1,422	1,779	3,201	450 ¹
Defence aerospace	656	580	1,236	211	Defence	656	580	1,236	211
						2,078	2,359	4,437	661
Marine	697	544	1,241	135	MIPS Marine	637	380	1,017	110 ²
Power Systems	826	413	1,239	72	Power Systems	826	413	1,239	72
Energy	189	299	488	(3)	Nuclear & Energy	249	463	712	22 ²
					Intra-segment	(39)	(46)	(85)	(2)
Inter-segment	(39)	(46)	(85)	(2)		1,673	1,210	2,883	202
Reportable segments	3,751	3,569	7,320	899	Reportable segments	3,751	3,569	7,320	863
Central items				(27)	Central items				(27)
Profit before financing and taxation				872	Profit before financing and taxation				836
Net financing				(32)	Net financing				(32)
Profit before taxation				840	Profit before taxation				804
Taxation				(198)	Taxation				(189) ³
Profit for the period				642	Profit for the period				615
Attributable to:					Attributable to:				
Ordinary shareholders				621	Ordinary shareholders				594
Non-controlling interests				21	Non-controlling interests				21
EPS				33.33p	EPS				31.88p
					¹ Restatement in respect of RRSAs as described in 2013 Annual Report ² Reclassification of Submarines ³ Tax effect of RRSAs restatement				

Restatement of Rolls-Royce Holdings plc Group: Reconciliation from Reported to Underlying Results

As reported, 30 June 2013				Restated, 30 June 2013			
	Underlying £m	Adjustments £m	Reported £m		Underlying £m	Adjustments £m	Reported £m
Profit before taxation	840	(1,331)	(491)	Profit before taxation	804	(1,331)	(527)
Taxation	(198)	304	106	Taxation	(189)	304	115
Profit for the period	642	(1,027)	(385)	Profit for the period	615	(1,027)	(412)
Attributable to:				Attributable to:			
Ordinary shareholders	621	(979)	(358)	Ordinary shareholders	594	(979)	(385)
Non-controlling interests	21	(48)	(27)	Non-controlling interests	21	(48)	(27)
EPS	33.33p	(52.54p)	(19.21p)	EPS	31.88p	(52.54p)	(20.66p)

Income Statement

Summary underlying income statement for the period ended 30 June 2013			
	As reported £m	RRSAs £m	Restated £m
Revenue	7,320	-	7,320
Gross profit	1,638	-	1,638
Commercial and administrative costs	(545)	-	(545)
Net R&D charge	(351)	57	(294)
Other income and costs	130	(93)	37
PBFCT	872	(36)	836
Net financing	(32)	-	(32)
PBT	840	(36)	804
Tax	(198)	9	(189)
PAT	642	(27)	615
Ordinary shareholders	621	(27)	594
NCI	21	-	21

Research & Development

Research & development for the period ended 30 June 2013			
	As reported £m	RRSAs £m	Restated £m
Expenditure in year	(384)		(384)
Capitalised as intangible assets	66		66
Amortisation of capitalised costs	(62)		(62)
Net research and development cost	(380)	-	(380)
Entry fees received	-	97	97
Entry fees deferred in respect of charges in future periods	-	(42)	(42)
Recognition of deferred entry fees	-	6	6
Net cost recognised in the income statement	(380)	61	(319)
Underlying adjustments	29	(4)	25
Net underlying cost recognised in the income statement	(351)	57	(294)