



POWER SYSTEMS



OVERVIEW

Rolls-Royce is a leading supplier of emergency power in safety-critical installations and integrated propulsion systems for ships and heavy land vehicles.

This is a resilient division with a strong customer base in its four main applications: power generation, marine, governmental and industrial.

Our divisional headquarters is in Friedrichshafen, Germany and we have eight production locations around the globe.

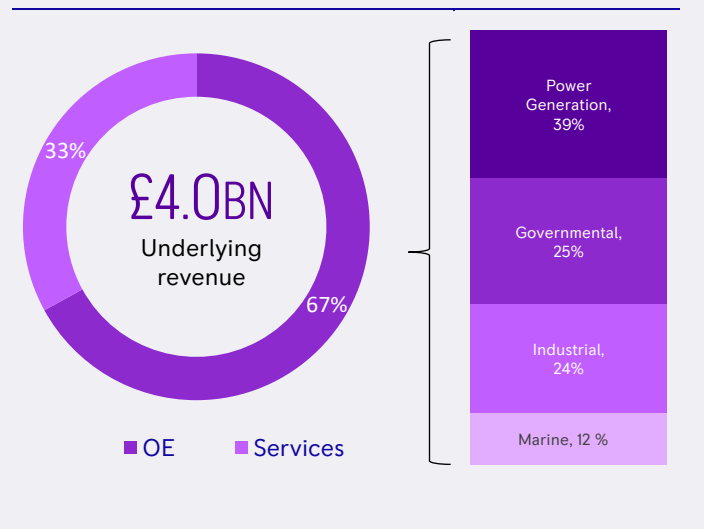
~40,000

Active customers

>160,000

Units installed base

2023 Revenue Breakdown



UNIQUE AND SOLID BUSINESS MODEL BASED ON:

- Operating in highly attractive, growing markets
- The outlook for our markets is positive with annual growth rates often greater than GDP growth
- Large global customer base across 13 markets served via 1,200 customer touchpoints
- Renowned for comprehensive, powerful and reliable engine solutions in the off-highway sector
- >30% service revenue share with further growth potential

20,000	£413M	10.4%	£4.3BN	£4.1BN
Engines sold per annum	EBIT	EBIT%	Order intake	Order backing

MID-TERM TARGETS

At our Capital Markets Day in November 2023, we set divisional mid-term targets for operating margin. These targets are based upon our expectations for a 2027 timeframe. We expect a progressive, but not necessarily linear, improvement year-on-year, and if we can accelerate the achievement of our ambitions we will.

12-14%

Power Systems mid-term target for operating margin



A COMPREHENSIVE PRODUCT AND SOLUTIONS PORTFOLIO

We are operating in highly attractive, growing markets. Our modern combustion engines and continuous advancements, including the utilisation of sustainable fuels for climate-neutral operations, with our innovative energy supply systems, play pivotal roles in driving the energy transition and

ensuring energy security all over the world. By focusing on the strengths of our core business, we are committed to achieving profitable growth while simultaneously envisioning future technologies with a well-balanced strategy.



ORIGINAL EQUIPMENT

- Diesel engines
- Gas engines
- Gensets
- PowerPacks
- Containerised solutions
- Energy storage solutions



SYSTEMS

- Diesel & gas systems
- Propulsion systems
- Hybrid solutions
- Automation systems
- Microgrids

LIFECYCLE SOLUTIONS

- ValueCare agreements
- Extended coverage
- Support services
- Upgrades
- Remanufacturing & overhaul solutions
- Digital solutions



OUR FOUR MAIN APPLICATIONS



POWER GENERATION

Dependable diesel and gas power generation solutions as well as battery energy storage systems for mission-critical to everyday backup and continuous power featuring low lifecycle costs and peace of mind.

Key markets:

- Data centres
- Industrial manufacturing
- Residential & utilities



MARINE

Integrated diesel, gas and hybrid propulsion system solutions including automation and control systems that are world renowned for both reliability and ultimate performance.

Key markets:

- Commercial marine
- Yacht



INDUSTRIAL

Broad range of high-performing industrial diesel/hybrid solutions for diverse requirements that feature highest reliability and availability as well as low lifecycle costs.

Key markets:

- Rail
- Construction & agriculture
- Mining



GOVERNMENTAL

Peak-performance diesel engines and propulsion systems with outstanding high power density and power-to-weight ratio, which are easy to use and maintain with low lifecycle costs.

Key markets:

- Land defence
- Naval

ENERGY TRANSITION

Modern mtu combustion engines play a key role in the energy transition: they can already be operated on a climate-neutral basis using sustainable fuels.

INTEGRATED SOLUTIONS

Our mtu engines develop their full potential in integrated drive and energy systems, which we supply from a single source.

DIFFERENTIATED PRODUCTS

Our engines impress with their outstanding power-to-weight ratio, reliability and above-average maintenance intervals.