

THE COMPANIES ACT 1985

Rolls-Royce Group plc

COMPANY LIMITED BY SHARES

ORDINARY RESOLUTION

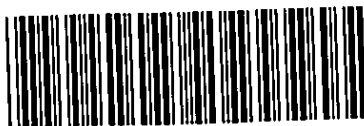
At the ANNUAL GENERAL MEETING of ROLLS-ROYCE GROUP plc
held on Wednesday, 2 May 2007, the following
Resolution was passed as an ORDINARY RESOLUTION

RESOLUTION

That the directors be and are authorised

- a) on one or more occasions, to capitalise such sums as they may determine from time to time but not exceeding the aggregate sum of £200 million, standing to the credit of the Company's merger reserve or such other reserves as the Company may legally use in paying up in full at par, up to 200 billion non-cumulative redeemable convertible preference shares with a nominal value of 0.1 pence each (B Shares) from time to time having the rights and being subject to the restrictions contained in the Articles of Association of the Company and any terms of their issue,
- b) pursuant to Section 80 of the Companies Act 1985, and for the period up to the end of the next Annual General Meeting of the Company, to exercise all powers of the Company to allot and distribute B Shares credited as fully paid up to an aggregate nominal amount of £200 million to the holders of ordinary shares of 20 pence each on the register of members on any dates determined by the directors from time to time and on the basis of the number of B Shares for every ordinary share held as may be determined by the directors from time to time, this authority being in addition to any other authority for the time being vested in the directors, and
- c) to do all acts and things they may consider necessary or desirable to give effect to this resolution and to satisfy any entitlement to B Shares howsoever arising

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T M Rayner
Company Secretary