
ROLLS-ROYCE GROUP PLC

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015



ROLLS-ROYCE GROUP PLC

COMPANY INFORMATION

DIRECTORS

James Guyette (resigned 8 May 2015)
Warren East (appointed 3 July 2015)
John Rishton (resigned 2 July 2015)
Colin Smith
David Smith (appointed 4 November 2014)

COMPANY SECRETARY

Pamela Coles

REGISTERED NUMBER

04706930

REGISTERED OFFICE

62 Buckingham Gate
London
SW1E 6AT

ROLLS-ROYCE GROUP PLC

CONTENTS

	Page
Strategic report	1
Directors' report	2
Directors' responsibilities statement	3
Independent auditor's report	4
Income statement	5
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9 - 24

ROLLS-ROYCE GROUP PLC

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

BUSINESS REVIEW

The share price of Rolls-Royce Holdings plc has decreased by 295p during the year to 575p (2014 - 870p) which led to a revaluation loss of £13,279 thousand (2014 - £48,161 thousand).

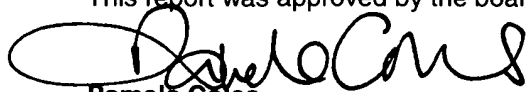
The company sold 10,892,026 (2014 - 7,770,113) Rolls-Royce Holdings plc shares, valued at £100,713 thousand (2014 - £79,502 thousand), to its parent company to satisfy share-based payments obligations. 2,000,000 (2014 - 10,370,675) Rolls-Royce Holdings plc shares valued at £21,203 thousand (2014 - £101,847 thousand) were acquired to fund its parent company's commitment to satisfying share-based payments obligations.

A revaluation gain of £2,963 thousand was recognised as income in the year (2014 - £15,879 thousand) upon the sale of Rolls-Royce Holdings plc shares.

Dividend income from shares in the company's parent company was £1,873 thousand (2014 - £1,989 thousand).

This report was approved by the board on 26 February 2016

and signed on its behalf.



Pamela Coles
Secretary

ROLLS-ROYCE GROUP PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The principal activities of the company are to hold investments in its subsidiary companies and to sponsor a share trust used to hold investments in its parent company Rolls-Royce Holdings plc, which is listed on the London Stock Exchange, to fulfil the group's share-based payment plans to its employees.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £4,810 thousand (2014 - £17,805 thousand).

No dividend was paid during the year (2014 - £1,500,000 thousand).

DIRECTORS

The directors who served during the year were:

James Guyette (resigned 8 May 2015)
Warren East (appointed 3 July 2015)
John Rishton (resigned 2 July 2015)
Colin Smith
David Smith (appointed 4 November 2014)

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

The auditor, KPMG LLP - Statutory Auditor, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Pamela Coles
Secretary

Date: 24 February 2016

ROLLS-ROYCE GROUP PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS101')). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities. also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROLLS-ROYCE GROUP PLC

We have audited the financial statements of Rolls-Royce Group plc for the year ended 31 December 2015, set out on pages 5 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS101')).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101'); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

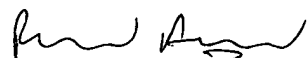
Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Richard Ackland (Senior statutory auditor)
for and on behalf of

KPMG LLP - Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

24 February 2016

ROLLS-ROYCE GROUP PLC

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £000	2014 £000
Administrative expenses		<u>(44)</u>	<u>(67)</u>
OPERATING LOSS		(44)	(67)
Transfer of revaluation of parent company shares held under trust		<u>2,963</u>	<u>15,879</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		2,919	15,812
Income from shares in group undertakings		1,873	1,989
Interest receivable and similar income		<u>18</u>	<u>4</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		4,810	17,805
Tax on profit/loss		<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u>4,810</u>	<u>17,805</u>

All amounts relate to continuing operations.

The notes on pages 9 to 24 form part of these financial statements.

ROLLS-ROYCE GROUP PLC

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £000	2014 £000
PROFIT FOR THE FINANCIAL YEAR		4,810	17,805
Revaluation of fixed asset investments	4	<u>(13,279)</u>	<u>(48,161)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>(8,469)</u></u>	<u><u>(30,356)</u></u>

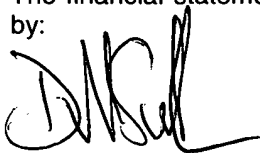
The notes on pages 9 to 24 form part of these financial statements.

ROLLS-ROYCE GROUP PLC
REGISTERED NUMBER: 04706930

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	£000	2015 £000	£000	2014 £000
Assets					
Non-current assets					
Investments	4		2,309,271		2,402,060
Current assets					
Trade and other receivables	5	1,326,349		1,230,620	
Cash and cash equivalents		<u>198</u>		<u>230</u>	
		1,326,547		1,230,850	
Total assets			<u>3,635,818</u>		<u>3,632,910</u>
Liabilities					
Current liabilities					
Trade and other payables	6	<u>(1,727,043)</u>		<u>(1,712,703)</u>	
Total liabilities			<u>(1,727,043)</u>		<u>(1,712,703)</u>
Net assets			<u>1,908,775</u>		<u>1,920,207</u>
Equity					
Called-up share capital	7		374,534		374,534
Share premium account			16,028		16,028
Revaluation reserve			(19,955)		(3,713)
Capital redemption reserve			1,130,341		1,130,341
Retained earnings			<u>407,827</u>		<u>403,017</u>
Equity shareholders' funds			<u>1,908,775</u>		<u>1,920,207</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



David Smith
Director

Date: 24 February 2016

The notes on pages 9 to 24 form part of these financial statements.

ROLLS-ROYCE GROUP PLC

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Share capital	Share premium	Capital redemption reserve	Revaluation reserve	Retained earnings	Total equity
	£000	£000	£000	£000	£000	£000
At 1 January 2015	374,534	16,028	1,130,341	(3,713)	403,017	1,920,207
Profit for the year					4,810	4,810
Revaluation of available for sale assets				(13,279)		(13,279)
Transfer between revaluation reserve and income statement				(2,963)		(2,963)
At 31 December 2015	374,534	16,028	1,130,341	(19,955)	407,827	1,908,775

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101').

These are the Company's first financial statements prepared in accordance with FRS 101.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ('Adopted IFRSs'), but makes amendments where necessary in order to comply with Companies Act 2006.

In the transition to FRS 101, the Company has applied IFRS 1, whilst ensuring that its assets and liabilities are measured in compliance with FRS 101.

In these financial statements the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- related party transactions; and
- comparative period reconciliations for share capital.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Measurement convention

These financial statements have been prepared on the historical cost basis except where Adopted IFRS requires the revaluation of financial instruments to fair value and certain other assets and liabilities on an alternative basis – and on a going concern basis as described in note 1.3.

1.2 Group financial statements

The company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements.

1.3 Going concern

The financial statements have been prepared on a going concern basis, notwithstanding the company's net current liabilities of £400,496 thousand (2014 - £481,853 thousand net current assets) and so is dependent for its working capital on funds provided to it by Rolls-Royce Holdings plc, the parent undertaking of the company.

Rolls-Royce Holdings plc has stated that its current policy is to ensure that the company is managed so that it maintains adequate financial resources and is in a position to meet its financial obligations arising from its normal trading activities. Based on the directors' assessment of the company's future financial retirements, the ability of Rolls-Royce Holdings plc to support the company if necessary and the statement referred to above, the directors consider that the company will have sufficient financial resources to meet its obligations for the foreseeable future, that is for at least 12 months from the date of approval of these financial statements.

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1.4 Investments

Investments included in fixed assets are:

- Investments in subsidiary companies - these are held at cost less provision for impairment
- Listed investments - these are held at fair value

1.5 Financial instruments

IAS 39 requires the classification of financial instruments into separate categories for which the accounting treatment is different. The company has classified its financial instruments as:

- Investments, other than investment in subsidiaries and unlisted investments, are classified as available for sale assets.

Financial instruments are initially measured at fair value. Their subsequent measurement depends on their classification:

- Available for sale assets are held at fair value. Changes in fair value are taken to equity. On disposal of the related asset, the accumulated changes in value recorded in equity are included in the gain or loss recorded in the profit and loss account.

1.6 Share-based payments

The company sponsors a share trust that holds shares in Rolls-Royce Holdings plc to fulfil share based payment obligations to employees of the Rolls-Royce group. The costs of share-based payments in respect of these awards are charged by the employing company and are treated as an increased investment by the company's parent company. Any payments received from subsidiary undertakings in respect of these arrangements are treated as a reduction in the investment.

2. AUDITOR'S REMUNERATION

The fees for the audit of the company financial statements were £5,000 (2014 - £5,000) and were paid by Rolls-Royce plc.

3. STAFF COSTS

The company has no employees and the directors are not employed by this company. The directors received £nil remuneration (2014 - £nil) from this company

ROLLS-ROYCE GROUP PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

4. FIXED ASSET INVESTMENTS

The following movements occurred in the year:

Listed investment - Upon formation of the holding company (Rolls-Royce Holdings plc), own shares previously held at cost were replaced with shares in the new holding company and reclassified as available for sale assets which are measured at fair value.

Revaluation losses recognised were £13,279 thousand (2014 - £48,161 thousand).

Disposal of listed investments to satisfy share-based payment obligations were £100,713 thousand (2014 - £79,502 thousand).

Additions of £21,203 thousand Rolls-Royce Holdings plc shares were acquired to satisfy share-based payment obligations (2014 - £101,847 thousand).

	Investments in subsidiary companies £000	Listed investments £000	Total £000
Cost or valuation			
At 1 January 2015	2,275,380	126,680	2,402,060
Additions	-	21,203	21,203
Disposals	-	(100,713)	(100,713)
Revaluations	-	(13,279)	(13,279)
	<u>2,275,380</u>	<u>33,891</u>	<u>2,309,271</u>
At 31 December 2015	<u>2,275,380</u>	<u>33,891</u>	<u>2,309,271</u>
Net book value			
At 31 December 2015	<u>2,275,380</u>	<u>33,891</u>	<u>2,309,271</u>
At 31 December 2014	<u>2,275,380</u>	<u>126,680</u>	<u>2,402,060</u>

Subsidiary undertakings

Name	Class of shares	Holding
Rolls-Royce plc	Ordinary	100%

Indirectly held subsidiary and joint venture undertakings are listed on pages 15 to 24.

Listed investments

The market value of the listed investments at 31 December 2015 was £33,891 thousand (2014 - £126,680 thousand). The historical book cost at 31 December 2015 was £52,189 thousand (2014 - £128,733 thousand).

ROLLS-ROYCE GROUP PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

5. TRADE AND OTHER RECEIVABLES

	2015 £000	2014 £000
Amounts owed by group undertakings	<u>1,326,349</u>	<u>1,230,620</u>

6. TRADE AND OTHER PAYABLES

	2015 £000	2014 £000
Amounts owed to group undertakings	<u>1,727,043</u>	<u>1,712,703</u>

7. SHARE CAPITAL

	2015 £000	2014 £000
Allotted, called up and fully paid		
1,872,669,328 (2014 - 1,872,669,328) Ordinary shares of £0.20 each	374,534	374,534
1- Ordinary A share of £0.20	-	-
	<u>374,534</u>	<u>374,534</u>

The rights and obligations attaching to the different classes of shares are set out in the company's Articles of Association.

Ordinary shares - Holders of ordinary shares are entitled to receive the company's annual report. They are also entitled to attend and speak at general meetings of the company, and to exercise voting rights.

Ordinary A shares - Holders of ordinary A shares are not entitled to voting or dividend rights.

Special share - the HM Government (Special Shareholder) redeemed its special share on 23rd May 2011 and was issued a special share in the company's parent company, Rolls-Royce Holdings plc.

ROLLS-ROYCE GROUP PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

8. DIVIDENDS

	2015 £000	2014 £000
Dividends paid on equity capital	<u>-</u>	<u>1,500,000</u>

9. TAXATION

	2015 £000	2014 £000
Total tax on profit on ordinary activities	<u>-</u>	<u>-</u>

	2015 £000	2014 £000
Profit on ordinary activities before tax	<u>4,810</u>	<u>17,805</u>

Profit on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 20.25% (2014: 21.5%)	974	3,828
---	------------	-------

Effects of:

Non-taxable income	(978)	(3,842)
Group relief not paid for	4	14

Total tax charge	<u>-</u>	<u>-</u>
-------------------------	----------	----------

The temporary differences associated with investments in subsidiaries, joint ventures and associates, for which a deferred tax liability has not been recognised, aggregate to £347 million (2014 £512 million). No deferred tax liability has been recognised on the potential withholding tax due to the remittance of undistributed profits as the Company is able to control the timing of such remittances and it is probable that consent will not be given in the foreseeable future.

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

10. CONTINGENT LIABILITIES

On 6 December 2012, Rolls-Royce Holdings plc (the ultimate parent company of the company) announced that it had passed information to the Serious Fraud Office (SFO), an independent United Kingdom government department, following a request from the SFO for information about allegations of malpractice in overseas markets. On 23 December 2013, Rolls-Royce Holdings plc (RRHPLC) announced that it had been informed by the SFO that it had commenced a formal investigation. Since the initial announcement, RRHPLC has continued its investigations and is engaging with the SFO and other authorities in the UK, the USA and elsewhere in relation to the matters of concern.

The consequence of these disclosures will be decided by the regulatory authorities. It is too early to predict the outcomes, but these could include the prosecution of individuals and of the RRHPLC Group, the potential for fines, penalties or other consequences cannot currently be assessed. As the investigation is ongoing, it is not yet possible to identify the timescale in which these issues might be resolved.

Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements, and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

At 31 December 2015 these guarantees amounted to £700,000 thousand (2014 - £753,000 thousand).

11. CONTROLLING PARTY

The ultimate parent undertaking and controlling party is Rolls-Royce Holdings plc, which is the parent undertaking of the largest group to consolidate these financial statements.

The consolidated financial statements are available to the public and may be obtained from 62 Buckingham Gate, London, SW1E 6AT.

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

Indirectly held subsidiary and joint venture undertakings are listed below.

SUBSIDIARIES		
COMPANY NAME	% ³	ADDRESS
A.F.C Wultex Limited *	90	Derby ¹
A.P.E. – Allen Gears Limited *	100	Derby ¹
Allen Power Engineering Limited *	100	Derby ¹
Amalgamated Power Engineering Limited *	100	Derby ¹
Bergen Engines AS	100	125 Hordvikneset, 5108 Hordvik, Bergen, 1201, Norway
Bergen Engines Bangladesh Private Limited	100	Plot n.58E, Kemal Ataturk Avenue, Dhaka, 1213, Bangladesh
Bergen Engines BV	100	Werfdijk 2, 3195HV Pernis, Rotterdam, Netherlands
Bergen Engines Denmark A/S	100	23 Varftsvej, 9000 Aalborg, Denmark
Bergen Engines India Private Limited	100	52-b Okhla Industrial Estate, Phase 3, New Delhi 110-020, India
Bergen Engines Limited	100	Derby ¹
Bergen Engines Property Co AS	100	125 Hordvikneset, 5108 Hordvik, Bergen, 1201, Norway
Bergen Engines S.L.	100	Calle Dinamarca, 43120 Constanti, Tarragona, Spain
Bergen Engines S.r.l	100	13 Via Castel Morrone, 16161, Genoa, Italy
Bristol Energy Limited *	100	Derby ¹
Bristol Siddeley Engines Limited *	100	Derby ¹
Brooks Inspection Solutions Limited	100	Derby ¹
Brown Brothers & Company Limited *	100	Taxiway, Hillend Industrial Estate, Dalgety Bay, Dunfermline, Scotland, KY11 9JT
C.A. Parsons & Company Limited *	100	Derby ¹
Composite Technology and Applications Limited	100	Derby ¹
Crossley-Premier Engines (Sales) Limited *	100	Derby ¹
Croydon Energy Limited *	100	Derby ¹
Data Systems & Solutions, LLC	100	5959 Shallowford Road, Chattanooga, TN 37421, USA
Deeside Titanium Limited *	82.5	Derby ¹
Derby Cogeneration Limited *	100	Derby ¹
Derby Specialist Fabrications Limited *	100	Derby ¹
Europea Microfusioni Aerospaziali S.p.A.	100	Zona Industriale AS1, 83040 Morra De Sanctis, Avellino, Italy
Exeter Power Limited *	100	Derby ¹
Fluid Mechanics LLC	100	39525 MacKenzie Drive, Novi, Michigan 48377, USA
Gate Leasing Limited	100	London ²
Hartshill Ventures Limited	100	Derby ¹
Heartlands Power Limited *	100	Derby ¹
Heaton Power Limited *	100	Derby ¹
John Hastie of Greenock (Holdings) Limited *	100	Derby ¹
John Thompson Cochran Limited *	100	Taxiway, Hillend Industrial Estate, Dalgety Bay, Dunfermline, Scotland KY11 9JT
John Thompson Limited *	100	Derby ¹
Kalvet Engineering (Proprietary) Limited *	100	Corner Marcony Rd and 3rd St, Western Cape, 7441, South Africa
Kamewa AB *	100	Box 1010, S-68129, Kristinehamn, Sweden
Kamewa Do Brazil Equipamentos Maritimos Limitada *	100	401 Rua Visconde de Piraja 433, Rio de Janeiro, Brazil
Kamewa Holding AB *	100	Box 1010, S-68129, Kristinehamn, Sweden
Kamewa UK Limited *	100	Derby ¹

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

COMPANY NAME	% ³	ADDRESS
Karl Maybach-Hilfe GmbH	100	1 Maybachplatz, 88045 Friedrichshafen, Germany
L'Orange Unterstutzungskasse GmbH	100	Harteckweg 9, 72293 Glatten, Germany
L'Orange Fuel Injection (Ningbo) Co, Ltd	100	#3 South Qihang Rd 55, Yinzhou Economic Development Zone Ningbo City, 315145, China
L'Orange Fuel Injection Trading (Suzhou) Co, Ltd	100	#399 Suhong Middle Rd, Suzhou Industrial Park, Suzhou 215000, China
L'Orange GmbH	100	30 Porschestraße, 70435 Stuttgart, Germany
M.L. Limited	100	Derby ¹
Mansfield Holdings Limited *	100	Derby ¹
MTU America Inc	100	39625 McKenzie Drive, Novi, MI 48377, USA
MTU Anlagenvermietung GmbH	100	1 Maybachplatz, 88045 Friedrichshafen, Germany
MTU Asia PTE. Limited	100	#05-01, Robinson Rd 112, 068902, Singapore
MTU Benelux B.V.	100	Merwedestraat 86, 3313 CS, Dordrecht, Netherlands
MTU China Company Limited	100	1801-1803, 18/F Ascendas Plaza, No.333 Tian Yao Qiao Road Xuhai District, Shanghai, 200030, China
MTU Do Brazil Limitada	100	Via Anhanguera, KM 29203, 05276-000 Sao Paulo SP Brazil
MTU Engineering (Suzhou) Company Limited	100	9 Long Yun Rd, Suzhou Industrial Park, Suzhou 215024 Jiang Su, China
MTU France SAS	100	281 Chaussée Jules César, 95250 Beauchamp, France
MTU Friedrichshafen GmbH	100	1 Maybachplatz, 88045 Friedrichshafen, Germany
MTU Hong Kong Limited	100	1-3 Wing Yip St, Kwai Chung, New Territories, Hong Kong
MTU Iberica Propulsion Y Energia S.L.	100	26-28 Calle Copernico, 28823 Coslada, Madrid, Spain
MTU India Private Limited	100	159/1 Tathawade, Pune Mumbai Highway, Pune 411033, India
MTU Israel Limited	100	4 Ha"Alon Str, Kfar Neter, 4059300, Israel
MTU Italia S.r.l	100	Via Aurelia Nord, 328, 19021 Arcola (SP), Italy
MTU Japan Co Limited	100	2-15-19 Takanawa-Meiko, Minato-ku, Tokyo, 108-0074, Japan
MTU Korea Limited	100	20F Kores First Bank Building, 100 Gongpyung-dong, Jongno-gu Seoul, 100-702, Republic of Korea
MTU Middle East FZE	100	Showroom No. S3B5SR06 , Jebel Ali Free Zone, P.O. Box 61141 Dubai, United Arab Emirates
MTU Motor Turbin Sanayi Ve Ticaret. A.S	100	113. Ada 3.Parsel No.11, Çorlu, Tekirdag, 34555,Turkey
MTU Onsite Energy Corporation	100	100 Power Drive, Mankato, MIN 56001, USA
MTU Onsite Energy GmbH	100	8 Rotthofer Straße, 94099 Ruhstorf a.d. Rott, Germany
MTU Onsite Energy Systems GmbH	100	8 Rotthofer Straße, 94099 Ruhstorf a.d. Rott, Germany
MTU Polska SP. ZOO	100	Ul. Slaska, Nr 9. Raum, Stargard Szczecinski, 73-110, Potsdam Stargard Szczecinski, Poland
MTU Reman Technologies GmbH	100	8 Friedrich-List-Strabe, 39122 Magdeburg, Germany
MTU RUS LLC	100	Shabolovka Street 2, 119049, Moscow, Russian Federation
MTU South Africa (Pty) Limited	100	Corner Marcony Rd and 3rd St, Western Cape, 7441 South Africa
MTU UK Limited	100	Unit 29 The Birches Industrial Estate, East Grinstead, England RH19 1XZ
Navis Consult d.o.o	75	Ul. Bartola Kasica 5/4, HR-51000, Rijeka, Croatia
NEI Allen Limited *	100	Derby ¹
NEI Combustion Engineering Limited *	100	Derby ¹
NEI International Combustion Limited *	100	Derby ¹
NEI Limited *	100	Derby ¹
NEI Mining Equipment Limited *	100	Derby ¹
NEI Nuclear Systems Limited *	100	Derby ¹
NEI Overseas Holdings Limited	100	Derby ¹
NEI Parsons Limited *	100	Derby ¹

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

COMPANY NAME	% ³	ADDRESS
NEI Peebles Limited *	100	Derby ¹
NEI Power Projects Limited *	100	Derby ¹
NEI Services Limited *	100	Derby ¹
Nightingale Insurance Limited	100	Maison Trinity, Trinity Square, St. Peter Port, GY1 4AT, Guernsey
Optimized Systems and Solutions (US) LLC	100	Suite 500, 54 Monument Circle, Indianapolis, IN46204, USA
Optimized Systems and Solutions Limited *	100	Derby ¹
Oxygenaire Limited *	100	Derby ¹
PKMJ Technical Services, Inc.	100	465 Malcolm Dr., Moon Township, PA15108, USA
Powerfield Limited *	100	Derby ¹
Powerfield Specialist Engines Limited *	100	Derby ¹
Prokura Diesel Services (pty) Limited	100	Corner Marcony Rd and 3rd St, Western Cape, 7441 South Africa
PT Rolls-Royce	100	Mid Plaza 2, Lantai 16 Jl. Jenderal Sudirman 10-11, JakartaPusat, 10220, Indonesia
PT MTU Indonesia	100	Secure Building Blok B, Jl. Raya Protokol Halim, Perdanakusuma Jakarta, 13610, Indonesia
Quay Leasing Limited	100	London ²
R. Brooks Associates, Inc.	100	6546 Pound Road, Williamson, NY14589, USA
Rallyswift Limited *	100	Derby ¹
Reyrolle Belmos Limited *	100	Taxiway, Hillend Industrial Estate, Dalgety Bay, Dunfermline, Scotland KY11 9JT
Rolls E.L Turbofans Limited *	100	Derby ¹
Rolls-Royce (Ireland)*	100	1st Floor, IFSC House, International Financial Services Centre, Customs House Quay, Dublin, Irish Republic
Rolls-Royce (Thailand) Limited	100	900, 11th Fl, Tonson Tower, Ploenchit Rd, Bangkok, Thailand
Rolls-Royce (Xi'an) Mechanical Manufacturing Co. Limited	100	E-1, No. 5 Lan Tian Road, Xian Yanliang National Aviation Hi-Tech Industrial Base, China
Rolls-Royce AB	100	Box 1010, S-68129, Kristinehamn, Sweden
Rolls-Royce Aero Engine Services Limited *	100	Derby ¹
Rolls-Royce Aircraft Management Limited	100	London ²
Rolls-Royce Australia Limited	100	Suite 102, 2-4 Lyonpark Rd, Macquarie Park, NSW- 2113, Australia
Rolls-Royce Australia Services PTY Limited	100	Suite 102, 2-4 Lyonpark Rd, Macquarie Park, NSW- 2113, Australia
Rolls-Royce Brazil Limitada	100	Rua Dr Cincinato Braga 47, Planalto, Sao Bernando do Campo/SP 09890-900, Brazil
Rolls-Royce Canada Limited	100	9500 Cote De Liesse Rd, Lachine QC H8T 1A2, Canada
Rolls-Royce Capital Limited	100	Derby ¹
Rolls-Royce Civil Nuclear Canada Limited	100	597 The Queensway, Peterborough ON K9J7J6, Canada
Rolls-Royce Civil Nuclear SAS	100	23 Chemin du Vieux Chene, 38240, Meylan, France
Rolls-Royce Commercial (Beijing) Co., Limited	100	2109 China Life Building, 16 Chao Yang Men Wai Street, Beijing 100020, China
Rolls-Royce Commercial Aero Engines Limited *	100	Derby ¹
Rolls-Royce Control Systems Holdings Co	100	Suite 200, 1875 Explorer Street, Reston, VA20190, USA
Rolls-Royce Controls and Data Services (NZ) Limited	100	L7 Bayleys Building, 36 Brandon St, Wellington, 6011 New Zealand
Rolls-Royce Controls and Data Services (UK) Limited	100	Derby ¹
Rolls-Royce Controls and Data Services Inc.	100	Suite 200, 1875 Explorer Street, Reston, VA20190, USA

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

COMPANY NAME	% ³	ADDRESS
Rolls-Royce Controls and Data Services Limited	100	Derby ¹
Rolls-Royce Corporation	100	2001 S Tibbs Avenue, Indianapolis, IN46206, USA
Rolls-Royce Côte d'Ivoire Sarl	100	7 Boulevard Latrille, 25 BP 945, Abidjan, Côte d'Ivoire
Rolls-Royce Credit Corporation	100	Suite 200, 1875 Explorer Street, Reston, VA20190, USA
Rolls-Royce Crosspointe LLC	100	Suite A, 3811 Corporate Rd. Petersburg, VA 23805-0848, USA
Rolls-Royce de Venezuela SA	100	Avenida 3E, entre Calles 78 y 79, Torre Empresarial Claret Piso 10, Oficina 10-3, Sector Valle Frio, Maracaibo, Venezuela
Rolls-Royce Defense Holdings Inc.	100	2001 S Tibbs Avenue, Indianapolis, IN46206, USA
Rolls-Royce Defense Products and Solutions Inc.	100	2001 S Tibbs Avenue, Indianapolis, IN46206, USA
Rolls-Royce Defense Services Inc.	100	2001 S Tibbs Avenue, Indianapolis, IN46206, USA
Rolls-Royce Deutschland Ltd & Co KG	100	11 Eschenweg, 15827 Blankenfelde-Mahlow, Germany
Rolls-Royce Directorate Limited *	100	Derby ¹
Rolls-Royce Energy Angola Limitada	100	Rua Rei Katyavala, Entrada B, Piso 8, Luanda, Angola
Rolls-Royce Energy Systems Inc.	100	Suite 200, 1875 Explorer Street, Reston, VA20190, USA
Rolls-Royce Engine Control Systems Pension Trustees Ltd	100	Derby ¹
Rolls-Royce Engine Controls Holdings Limited	100	Derby ¹
Rolls-Royce Engine Services – Oakland Inc.	100	7200 Earhart Road, Oakland, CA 64621-4504, USA
Rolls-Royce Engine Services Holdings Co	100	Suite 200, 1875 Explorer Street, Reston, VA20190, USA
Rolls-Royce Engine Services Limitada Inc. *	100	Bldg 06 Berthaphil Compound, Jose Abad Santos Avenue, Clark Special Eco Zone, Pampanga, Philippines
Rolls-Royce Erste Beteiligungs GmbH	100	11 Eschenweg, 15827 Blankenfelde-Mahlow, Germany
Rolls-Royce Finance Company Limited *	100	Derby ¹
Rolls-Royce Finance Holdings Co	100	Suite 200, 1875 Explorer Street, Reston, VA20190, USA
Rolls-Royce Fuel Cell Systems Limited	100	Derby ¹
Rolls-Royce General Partner Limited	100	Derby ¹
Rolls-Royce High Temperature Composites Inc.	100	18411 Gothard Street #8, Huntington Beach, CA92648, USA
Rolls-Royce Holdings Canada Inc.	100	9500 Cote De Liesse Rd, Lachine QC H8T 1A2, Canada
Rolls-Royce India Limited	100	Derby ¹
Rolls-Royce India Private Limited	100	Birla Tower West 25, Barakhamba Rd, New Delhi, 110001, India
Rolls-Royce Industrial & Marine Gas Turbines *	100	Derby ¹
Rolls-Royce Industrial & Marine Power Limited *	100	Derby ¹
Rolls-Royce Industrial Power (India) Limited	100	Derby ¹
Rolls-Royce Industrial Power (Overseas Projects) Limited	100	Derby ¹
Rolls-Royce Industrial Power Engineering (Overseas Projects) Limited	100	Derby ¹
Rolls-Royce Industrial Power Investments Limited *	100	Derby ¹

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

COMPANY NAME	% ³	ADDRESS
Rolls-Royce Industrial Power Systems Limited *	100	Derby ¹
Rolls-Royce Industries Limited *	100	Derby ¹
Rolls-Royce International Limited	100	Derby ¹
Rolls-Royce International LLC	100	10 B. Sadovaya St, 123001, Moscow, Russia
Rolls-Royce International S.R.O.	100	Pobřežní 620/3, 186 00, Karlín - Prague 8, Czech Republic
Rolls-Royce Investment Co	100	Suite 200, 1875 Explorer Street, Reston, VA20190, USA
Rolls-Royce Italia SRL	100	Via Castel Morrone 13,16161, Genova, Italy
Rolls-Royce Japan Co. Limited	100	31 Fl, Kasumigaseki bldg, 3-2-5 Kasumigaseki, Chiyoda-Ku, Tokyo 100-6031, Japan
Rolls-Royce JSF Holdings Inc.	100	2001 S Tibbs Avenue, Indianapolis, IN46206, USA
Rolls-Royce Leasing Limited	100	Derby ¹
Rolls-Royce Malaysia SDN BHD	100	Suite 13.03, 13th Fl, Menara Tan & Tan, 207 Jalan Tun Razak 50400 Kuala Lumpur, Malaysia
Rolls-Royce Marine A/S	100	Vaerftsvej 23, 2300, Aalborg, Denmark
Rolls-Royce Marine AS	100	Sjogata 80, 6065 Ulsteinvik, Norway
Rolls-Royce Marine Asia Limited	100	1-3 Wing Yip St, Kwai Chung, New Territories, Hong Kong
Rolls-Royce Marine Australia Pty Limited	100	Unit 2/8 Wallace Way, Fremantle WA 6160, Australia
Rolls-Royce Marine Benelux BV	100	Werfdijk 2, 3195HV Pernis, Rotterdam, Netherlands
Rolls-Royce Marine Chile SA	100	Alcantara 200, Office 1303, Las Condes, Santiago, Chile
Rolls-Royce Marine Deutschland GmbH	100	Fahrstieg 9, 21107, Hamburg, Germany
Rolls-Royce Marine Electrical Systems Limited	100	Derby ¹
Rolls-Royce Marine Espana S.A.	100	Poligono Industrial de Constanti, 43120 Constanti, Tarragona, Spain
Rolls-Royce Marine France Sarl	100	4 Place Des Etats Unis, Imm Monaco Silic 261, Rungis, France
Rolls-Royce Marine Hellas S.A.	100	25 Atki Poseidonos & Makrigianni corner, Athens 18344, Greece
Rolls-Royce Marine Hong Kong Limited	100	1-3 Wing Yip St, Kwai Chung, New Territories, Hong Kong
Rolls-Royce Marine India Private Limited	100	PLOT D-505, TTC Industrial Area, MIDC, Sharaya Hyundai Lane Turbhe, Navi Mumbai, Maharashtra, 400710, India
Rolls-Royce Marine Korea Limited	100	197 Noksansaneopbung-ro, Gangseogu, Busan, Republic of Korea
Rolls-Royce Marine Manufacturing (Shanghai)	100	1 Xuanzhong Rd, Xuanqiao Town, Pudong New Area, Shanghai 201399, China
Rolls-Royce Marine North America Inc.	100	Suite 200, 1875 Explorer Street, Reston, VA20190, USA
Rolls-Royce Marine Power Operations Limited	100	Derby ¹
Rolls-Royce Mechanical Test Operations Centre GmbH	100	Kiefernstrasse 1,15827 Blankenfelde-Mahlow, Dahlewitz, Germany
Rolls-Royce Mexico Administration S de RL de CV, Rolls-Royce Mexico S de RL de CV	100	Adolfo Ruiz Cortinez 3642-403, Costa de Oro, Veracruz 94299 6, Mexico
Rolls-Royce Military Aero Engines Limited *	100	Derby ¹
Rolls-Royce Namibia (Proprietary) Limited	100	Ausspahn Plaza, Dr Agostinho Neto Rd, Private Bag 12012, Asspahnplatz, Windhoek, Namibia
Rolls-Royce New Zealand Limited	100	L7 Bayleys Building, 36 Brandon St, Wellington, 6011, New Zealand
Rolls-Royce Nigeria Limited	100	22A Gerrard Street, Ikoyi, Lagos, Nigeria
Rolls-Royce North America (USA) Holdings Co.	100	Suite 200, 1875 Explorer Street, Reston, VA20190, USA
Rolls-Royce North America Holdings Inc.	100	Suite 200, 1875 Explorer Street, Reston, VA20190, USA
Rolls-Royce North America Inc.	100	Suite 200, 1875 Explorer Street, Reston, VA20190, USA

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

COMPANY NAME	% ³	ADDRESS
Rolls-Royce North America Ventures Inc.	100	Suite 200, 1875 Explorer Street, Reston, VA20190, USA
Rolls-Royce North American Technologies Inc.	100	2059 S Tibbs Avenue, Indianapolis, IN46241, USA
Rolls-Royce Nuclear Field Services France SAS	100	ZA Notre-Dame, 84430, Mondragon, France
Rolls-Royce Oman LLC	100	PO Box 686, Ruwi, 112, Oman
Rolls-Royce Operations (India) Private Limited	100	Whitefield Rd, EPIP Zone, Mahadevapura Bangalore 560066, India
Rolls-Royce Overseas Holdings Limited	100	Derby ¹
Rolls-Royce Overseas Investments Limited	100	Derby ¹
Rolls-Royce Overseas Projects Limited	100	Derby ¹
Rolls-Royce Oy Ab	100	PO Box 220, Suojantie 5, 26101, Rauma, Finland
Rolls-Royce Placements Limited	100	Derby ¹
Rolls-Royce Poland Sp z.o.o	99.5	GNIEW 83-140, ul. Kopernika 1, Poland
Rolls-Royce Power Development Limited	100	Derby ¹
Rolls-Royce Power Engineering plc	100	Derby ¹
Rolls-Royce Power Systems AG	100	1 Maybachplatz, 88045, Friedrichshafen, Germany
Rolls-Royce Saudi Arabia Limited	100	PO Box 88545, Riyadh, 11672, Saudi Arabia
Rolls-Royce Secretariat Ltd *	100	Derby ¹
Rolls-Royce Singapore Pte. Ltd	100	1 Seletar Aerospace Crescent, 797565 Singapore
Rolls-Royce Technical Support Sarl	100	Centreda 1, av Didier Daurat, 31700 Blagnac, Toulouse, France
Rolls-Royce Total Care Services Limited	100	Derby ¹
Rolls-Royce Transmission and Distribution Limited *	100	Derby ¹
Rolls-Royce Turkey Power Solutions Industry and Trade Limited	100	Ekemen Han No:1 Kat:6 Kabataş Beyoğlu , Istanbul, Turkey
Rolls-Royce Vietnam Limited	100	Dong Xuyen Industrial Zone, Rach Dua Ward, Vung Tau City Ba Ria – Vung Tau Province, Vietnam
Rolls-Royce Zweite Beteiligungs GmbH	100	11 Eschenweg, 15827 Blankenfelde-Mahlow, Germany
Ross Ceramics Limited	100	Derby ¹
R.O.V Technologies, Inc.	100	49 Bennett Drive, Guilford, Vermont, USA
R-R Industrial Controls Limited *	100	Derby ¹
Scandinavian Electric Gdansk Sp. z.o.o.	67	M. Reja 3, Gdansk, 80-404, Poland
Scandinavian Electric Systems do Brazil Limitada	66	Rua Sao Jose 90, salas 1406-07, Rio de Janeiro, RJ, Brazil
Spare IPG (AGL) Limited, Spare IPG (CEL) Limited, Spare IPG 3 Limited, Spare IPG 4 Limited, Spare IPG 11 Limited, Spare IPG 15 Limited, Spare IPG 20 Limited, Spare IPG 22 Limited, Spare IPG 24 Limited, Spare IPG 27 Limited, Spare IPG 28 Limited, Spare IPG 30 Limited, Spare IPG 32 Limited*	100	Derby ¹
Spare IPG 18 Ltd *	90	Derby ¹
Stone Vickers Limited *	100	Derby ¹

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

COMPANY NAME	% ³	ADDRESS
Superstructure Capital Limited	100	Derby ¹
The Bushing Company Limited *	100	Derby ¹
Timec 1487 Limited *	100	Derby ¹
Trigno Energy S.r.l.	100	Zona Industriale, San Salvo, 66050, Italy
Ulstein Holding AS	100	Sjøgata 80, 6065 Ulsteinvik, Norway
Ulstein Maritime Limited	100	96 North Bend St, Coquitlam, BC V3K 6H1, Canada
Ulstein Trading Ltd AS *	100	Sjøgata 80, 6065, Ulsteinvik, Norway
Vessel Lifts Inc *	100	Suite 102, 9130 S Dadeland Blvd, Miami, FL33156, USA
Vickers Pension Trustees Limited *	100	Derby ¹
Vickers Pressings Limited *	100	Derby ¹
Viking Power Limited *	100	Derby ¹
Vinters Defence Systems Limited *	100	Derby ¹
Vinters Engineering Limited	100	Derby ¹
Vinters International Limited	100	Derby ¹
Vinters Limited	100	Derby ¹
Vinters-Armstrongs (Engineers) Limited *	100	Derby ¹
Vinters-Armstrongs Limited *	100	Derby ¹
Wultex Machine Company Limited *	100	Derby ¹

JOINT VENTURES & ASSOCIATES				
COMPANY NAME	ADDRESS	CLASS OF SHARES	% of CLASS HELD	GROUP INTEREST HELD %
Aero Gearbox International SAS	18 Boulevard Louis Seguin, 92700 Colombes, France	Ordinary	50	50
Aerospace Transmission Technologies GmbH	Adelheidstrasse 40, D-88046, Friedrichshafen, Germany	Ordinary	50	50
Airtanker 1 Limited *	One London Wall, London, England EC2Y 5EB	Ordinary	20	20
Airtanker Finance Limited	One London Wall, London, England EC2Y 5EB	Ordinary	20	20
Airtanker Holdings Limited	One London Wall, London, England EC2Y 5EB	Ordinary	20	20
Airtanker Limited	One London Wall, London, England EC2Y 5EB	Ordinary	20	20
Airtanker Services Limited	Airtanker Hub, RAF Brize Norton, Carterton, Oxfordshire, England OX18 3LX	Ordinary	22	22
Alpha Leasing Limited, Alpha Leasing (No.4) Limited, Alpha Leasing (No.9) Limited, Alpha Leasing (No.10) Limited, Alpha Leasing (No.11) Limited, Rolls-Royce & Partners Finance Limited	London ²	Ordinary	100	50

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

COMPANY NAME	ADDRESS	CLASS OF SHARES	% of CLASS HELD	GROUP INTEREST HELD %
Alpha Leasing (US) LLC, Alpha Leasing (US) (No 2) LLC, Alpha Leasing (US) (No 4) LLC, Alpha Leasing (US) (No 5) LLC, Alpha Leasing (US) (No.6) LLC, Alpha Leasing (US) (No.7) LLC, Alpha Leasing (US) (No.8) LLC, Rolls-Royce & Partners Finance (US) LLC, Rolls-Royce & Partners Finance (US) (NO.2) LLC	Suite 200, 1875 Explorer Street, Reston, VA20190, USA	Partnerships (no equity held)	–	50
Alpha Partners Leasing Limited	London ²	A Ordinary	100	50
Anecom Aerotest GmbH	124/126 Freiheitsstrasse, Wildau, D-15745, Germany	Ordinary	24.9	24.9
Clarke Chapman Portia Port Services Limited	Maritime centre, Port of Liverpool, Liverpool L21 1LA A	Ordinary	100	50
Egypt Aero Management Services	EgyptAir Engine Workshop, Cairo International Airport, Cairo, Egypt	Ordinary	50	50
EPI Europrop International GmbH	Dachauer Strasse 655, 80995 Munich, Germany	Ordinary	28	Effective 35.5
EPI Europrop International Madrid S.L.	Edificio Berlin – First Floor, Parque Empresarial San Fernando, Avenida Castilla 2, 28830 San Fernando De Henares, Madrid, Spain	Ordinary	28	Effective 35.5
Eurojet Turbo GmbH	Lilienthalstrasse 2b, 85399 Hallbergmoos, Germany	Ordinary	33	Effective 39
GE Rolls-Royce Fighter Engine Team LLC	2001 S Tibbs Avenue, Indianapolis, IN46206, USA	(no equity held)	–	40
Genistics Holdings Limited	Derby ¹	Ordinary A	100	50
Genistics Limited	Derby ¹	Ordinary	100	50
Glacier LP	Suite 300, Bank Tower, 66 Wellington Street West, Toronto, ON M5K 1E6, Canada	Ordinary	50	50
Global Aerospace Centre for Icing and Environmental Research Inc.	1000 Marie-Victorin Boulevard, Montreal, QC J4G 1A1, Canada	Ordinary	50	50
Hong Kong Aero Engine Services Limited	33/F, 2 Pacific Place, 88 Queensway, Hong Kong	Ordinary	45	45
Hovden Klubbhaus AS	Stalhaugen 5, Ulsteinvik, 6065 Norway	Ordinary	69	69
Industria De Turbo Propulsores SA	Suite 300, Parque Tecnológico, 48170 Zamudio, Vizcaya, Spain	Ordinary	46.9	46.9
International Aerospace Manufacturing Private Ltd	3 Kempapure Village, Bangalore, 560037, India	Ordinary	50	50
International Engine Component Overhaul Pte Ltd	No.3 Loyang Way 2, 507102, Singapore	Ordinary	50	50

ROLLS-ROYCE GROUP PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

COMPANY NAME	ADDRESS	CLASS OF SHARES	% of CLASS HELD	GROUP INTEREST HELD %
LG Fuel Cell Systems Inc.	6065 Strip Ave, Canton, OH44720-9207, USA	Common Stock	32	32
Light Helicopter Turbine Engine Company (unincorporated partnership)	Suite 119, 9238 Madison Boulevard, Madison, AL35758, USA	Partnership (no equity held)	–	50
Metlase Limited	Unipart House, Garsington Road, Cowley, Oxford, England OX4 2PG	Ordinary B	100	20
MTU Turbomeca Rolls-Royce GmbH	Am Soldnermoos 17, 85399 Hallbergmoos, Germany	Ordinary	33.3	33.3
MTU Turbomeca Rolls-Royce ITP GmbH	Am Soldnermoos 17, 85399 Hallbergmoos, Germany	Ordinary	25	Effective 26
N3 Engine Overhaul Services GmbH & Co KG	1 Gerhard-Höltje-Str, D-99310, Arnstadt, Germany	Ordinary	50	50
N3 Engine Overhaul Services Verwaltungsgesellschaft MbH	1 Gerhard-Höltje-Str, D-99310, Arnstadt, Germany	Ordinary	50	50
Northern Engineering Industries Africa Limited (in liquidation) *	2nd floor, Ristone Office Park, 15 Sherborne Rd, Parktown 2193, South Africa	Ordinary	24.4	24.4
Offshore Simulator Centre AS	4 Larsgardsvegen, 6009, Alesund, Norway	Ordinary	25	25
Omega Leasing Limited, Omega Leasing (No.4) Limited, Omega Leasing (No.9) Limited, Omega Leasing (No.10) Limited, Omega Leasing (No.11) Limited	London ²	Ordinary	100	50
Omega Leasing (US) LLC, Omega Leasing (US) (No 2) LLC, Omega Leasing (US) (No 4) LLC, Omega Leasing (US) (No 5) LLC, Omega Leasing (US) (No.6) LLC, Omega Leasing (US) (No.7) LLC, Omega Leasing (US) (No.8) LLC	Suite 200, 1875 Explorer Street, Reston, VA20190, USA	Partnerships (no equity held)	–	50
Rolls Laval Heat Exchangers Limited	Derby ¹	Ordinary A	100	50
Rolls-Royce Engine Leasing (Labuan) Limited, Rolls-Royce Engine Leasing (Labuan) (No.2) Limited	Unit Level 13(A), Main Office Tower, Financial Park Labuan Jalan Merdeka, 87000, Malaysia	Ordinary	100	50
Rolls-Royce Snecma Limited	Derby ¹	Ordinary B	100	50
RRPF Engine Leasing Limited, RRPF Engine Leasing (No.2) Limited	London ²	Ordinary	100	50

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

COMPANY NAME	ADDRESS	CLASS OF SHARES	% of CLASS HELD	GROUP INTEREST HELD %
RRPF Engine Leasing (US) LLC, RRPF Engine Leasing (US) (No.2) LLC	Suite 200, 1875 Explorer Street, Reston, VA20190, USA	Ordinary	100	50
RRPF Engine Leasing (Singapore) Pte. Limited	28-00, 1 Marina Boulevard, Singapore 018989	Ordinary	100	50
Servicios de Operación y Mantenimiento S.A.	Puerto In Buitrago, 804 Casilla de Correo, CP 2900, Buenos Aires, Argentina	Ordinary	100	50
Shanxi North MTU Diesel Co. Limited	97 Daqing West Rd, Datong, Shanxi Province, China	Ordinary	49	49
Sign Assured Limited	8 Jubilee Drive, Loughborough, England LE11 5XS,	Ordinary	25	25
Singapore Aero Engine Services Private Limited	11 Calshot Rd, 509932, Singapore	Ordinary	30	Effective 39
Techjet Aerofoils Limited	Tefen Ind Zone, PO Box 16, 24959, Carmiel, Israel	Ordinary A Ordinary B	50 50	50
Texas Aero Engine Services LLC	1209 Orange St, Wilmington, DE19801, USA	Partnership (no equity held)	–	50
TRT Limited	Derby ¹	Ordinary B	100	49.5
Turbine Surface Technologies Limited	Derby ¹	Ordinary B	100	50
Turbo-Union Limited	Derby ¹	Shares A Ordinary	37.5 40	40
UK Nuclear Restoration Limited	Booths Park, Chelford Rd, Knutsford, England WA16 8QZ	Ordinary	20	20
Viking Reisebyra AS	Saunesvn. 10, Ulsteinvik, NO-6067, Norway	Ordinary	50	50
Xian XR Aero Components Co., Limited	Xujiawan, Beijiao, PO Box 13, Xian 710021, Shaanxi China	Ordinary	49	49
Xian XR Turbine Machining Components Co., Ltd	XEPZ 12th Fengcheng Rd, Xian 710018, Shaanxi China	Ordinary	100	49

* Dormant Entity

¹ Moor Lane, Derby, Derbyshire, England, DE24 8BJ

² 62 Buckingham Gate, London, England, SW1E 6AT

³ % ownership reflects total group interest held