
ROLLS-ROYCE GROUP PLC

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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COMPANIES HOUSE

ROLLS-ROYCE GROUP PLC

COMPANY INFORMATION

DIRECTORS	Warren East Colin Smith David Smith
COMPANY SECRETARY	Pamela Coles
REGISTERED NUMBER	04706930
REGISTERED OFFICE	62 Buckingham Gate London SW1E 6AT

ROLLS-ROYCE GROUP PLC

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ROLLS-ROYCE GROUP PLC

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

BUSINESS REVIEW

The share price of Rolls-Royce Holdings plc (RRHplc) rose during the year which led to a revaluation gain of £4,632k (2015 – £13,279k loss).

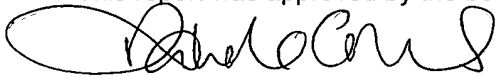
The Company transferred 1,955,390 (2015 – 10,892,026) RRHplc shares, valued at £13,909k (2015 – £100,713k), to its parent company to satisfy share-based payments obligations. 2,915,542 (2015 – 2,224,993) RRHplc shares valued at £20,692k (2015 – £21,203k) were acquired to fund its parent company's commitment to satisfying share-based payments obligations.

A revaluation loss of £15,323k was recognised in the income statement in the year (2015 – £2,963k gain) upon the sale of RRHplc shares.

Dividend income from shares in the Company's parent company was £1,034k (2015 – £1,873k).

As noted in the Directors' Report, on 2 December 2016 the share trust was transferred to the Company's parent company (RRHplc). This resulted in the transfer of all 6,854,216 RRHplc shares valued at their fair value of £45,306k to its parent company.

This report was approved by the board on 13th February 2017 and signed on its behalf.



Pamela Coles
Secretary

ROLLS-ROYCE GROUP PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The principal activity of the Company is to hold investments in its subsidiary companies. The Company was the sponsor of a share trust used to hold investments in its parent company, Rolls-Royce Holdings plc (RRHplc), which is listed on the London Stock Exchange, to fulfil the Rolls-Royce group's share-based payment plans to its employees. On 2 December 2016, the share trust, including all of the RRHplc shares held, was transferred to the parent company (RRHplc).

Rolls-Royce Group plc is a public limited company registered in England.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £14,294k (2015 – £4,810k gain).

No dividend was paid during the year (2015 – nil).

DIRECTORS

The directors who served during the year were:

Warren East
Colin Smith
David Smith

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:

18/2/17

ROLLS-ROYCE GROUP PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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; and
- 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 2016, set out on pages 5 to 20. 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 2016 and of its loss 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 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.

Jimmy Daboo (Senior statutory auditor)

for and on behalf of

KPMG LLP - Statutory Auditor

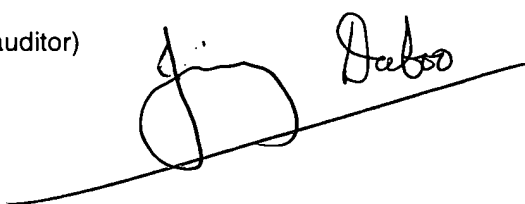
Chartered Accountants

15 Canada Square

London

E14 5GL

13 February 2017

A handwritten signature in black ink, appearing to read 'Daboo', is written over a horizontal line. To the left of the signature is a large, stylized circular mark, possibly a stamp or another part of the signature.

ROLLS-ROYCE GROUP PLC

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £000	2015 £000
Administrative expenses		<u>(5)</u>	<u>(44)</u>
OPERATING LOSS		(5)	(44)
Transfer of parent company shares held under trust		<u>(15,323)</u>	<u>2,963</u>
(LOSS)/PROFIT BEFORE INTEREST		(15,328)	2,919
Income from shares in group undertakings		1,034	1,873
Interest receivable and similar income		<u>-</u>	<u>18</u>
(LOSS)/PROFIT BEFORE TAXATION		(14,294)	4,810
Tax on loss	9	<u>-</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(14,294)</u>	<u>4,810</u>

All amounts relate to continuing operations.

The notes on pages 9 to 20 form part of these financial statements.

ROLLS-ROYCE GROUP PLC

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £000	2015 £000
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(14,294)	4,810
Revaluation of fixed asset investments	4	<u>4,632</u>	<u>(13,279)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>(9,662)</u></u>	<u><u>(8,469)</u></u>

The notes on pages 9 to 20 form part of these financial statements.

ROLLS-ROYCE GROUP PLC
REGISTERED NUMBER: 04706930

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	£000	2016 £000	£000	2015 £000
Assets					
Non-current assets					
Investments	4		2,275,380		2,309,271
Current assets					
Trade and other receivables	5	1,309,301		1,326,349	
Cash and cash equivalents		-		198	
		<u>1,309,301</u>		<u>1,326,547</u>	
Total assets			<u>3,584,681</u>		<u>3,635,818</u>
Liabilities					
Current liabilities					
Trade and other payables	6	<u>(1,670,245)</u>		<u>(1,727,043)</u>	
Total liabilities			<u>(1,670,245)</u>		<u>(1,727,043)</u>
Net assets			<u>1,914,436</u>		<u>1,908,775</u>
Equity					
Called-up share capital	7		374,534		374,534
Share premium account			16,028		16,028
Revaluation reserve			-		(19,955)
Capital redemption reserve			1,130,341		1,130,341
Retained earnings			<u>393,533</u>		<u>407,827</u>
Equity shareholders' funds			<u>1,914,436</u>		<u>1,908,775</u>

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



David Smith

Director

Date: 13/2/17

The notes on pages 9 to 20 form part of these financial statements.

ROLLS-ROYCE GROUP PLC

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Share capital	Share premium	Capital redemption reserve	Revaluation reserve	Retained earnings	Total equity
	£000	£000	£000	£000	£000	£000
At 1 January 2016	374,534	16,028	1,130,341	(19,955)	407,827	1,908,775
Profit for the year	-	-	-	-	(14,294)	(14,294)
Revaluation of available for sale assets	-	-	-	4,632	-	4,632
Transfer of revaluation reserve to income statement	-	-	-	15,323	-	15,323
At 31 December 2016	374,534	16,028	1,130,341	-	393,533	1,914,436

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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').

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 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 £360,944k (2015 – £400,496) 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 2016

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 sponsored 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. As noted in the Directors' Report, on 2 December 2016 the share trust was transferred to the Company's parent company.

2. AUDITOR'S REMUNERATION

The fees for the audit of the company financial statements were £5k (2015 - £5k) 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 (2015 - nil) from this company

ROLLS-ROYCE GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

4. FIXED ASSET INVESTMENTS

Listed investment – this relates to shares (held in the share trust) in the parent company (Rolls-Royce Holdings plc) and are measured at fair value. As noted in the Directors' Report, on 2 December 2016 the share trust was transferred to the Company's parent company.

The following movements occurred in the year:

	Investments in subsidiary companies £000	Listed investments £000	Total £000
Cost or valuation			
At 1 January 2016	2,275,380	33,891	2,309,271
Additions	-	20,692	20,692
Disposals	-	(59,215)	(59,215)
Revaluations	-	4,632	4,632
At 31 December 2016	<u>2,275,380</u>	<u>-</u>	<u>2,275,380</u>
Net book value			
At 31 December 2016	<u>2,275,380</u>	<u>-</u>	<u>2,275,380</u>
At 31 December 2015	<u>2,275,380</u>	<u>33,891</u>	<u>2,309,271</u>

Subsidiary undertakings

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

Indirectly held subsidiary and joint venture undertakings are listed on pages 15 to 20.

Listed investments

The market value of the listed investments at 31 December 2016 was nil (2015 – £33,891k). The historical book cost at 31 December 2016 was nil (2015 – £52,189k).

ROLLS-ROYCE GROUP PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

5. TRADE AND OTHER RECEIVABLES

	2016	2015
	£000	£000
Amounts owed by group undertakings	<u>1,309,301</u>	<u>1,326,349</u>

6. TRADE AND OTHER PAYABLES

	2016	2015
	£000	£000
Amounts owed to group undertakings	<u>1,670,245</u>	<u>1,727,043</u>

7. SHARE CAPITAL

	2016	2015
	£000	£000
Allotted, called up and fully paid		
1,872,669,328 (2015 – 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.

ROLLS-ROYCE GROUP PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

8. DIVIDENDS

	2016 £000	2015 £000
Dividends paid on equity capital	<u>-</u>	<u>-</u>

9. TAXATION

	2016 £000	2015 £000
Total tax on profit on ordinary activities	<u>-</u>	<u>-</u>

	2016 £000	2015 £000
(Loss)/profit on ordinary activities before tax	<u>(14,294)</u>	<u>4,810</u>

(Loss)/profit on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 20% (2015: 20.25%)	(2,859)	974
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Effects of:

Expenses not deductible for tax purposes	(531)	-
Non-taxable income	3,392	(978)
Group relief not paid for	(2)	4

Total tax charge	<u>-</u>	<u>-</u>
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The temporary differences associated with investments in subsidiaries, joint ventures and associates, for which a deferred tax liability has not been recognised, aggregate to £276 million (2015 £347 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 2016

10. CONTINGENT LIABILITIES

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 2016 these guarantees amounted to £500m (2015 - £700m).

11. EMOLUMENTS OF DIRECTORS

	2016		2015	
	Highest paid director	Other directors	Highest paid director	Other directors
	£000	£000	£000	£000
Aggregate emoluments excluding deferred share plans	2,089	3,681	826	4,374
Aggregate amounts relating to deferred share plans	-	-	395	1,621
Aggregate value of Company contributions to Company defined contribution pensions schemes	-	-	-	203
	2016		2015	
	Number		Number	
Number of directors with accruing retirement benefits:				
Defined contribution schemes			-	2
Defined benefit schemes ¹			1	1
Number of directors exercising share options			-	-
Number of directors receiving shares as part of long-term incentives schemes			-	3

¹ In 2015 one director was a contributing member of both defined contribution and defined benefit schemes, This was not the case for 2016.

12. 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 registered office of Rolls-Royce Holdings plc and the address from which the consolidated financial statements are available to the public is 62 Buckingham Gate, London, SW1E 6AT.

ROLLS-ROYCE GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Subsidiaries

Company name	Address	Class of shares	% of class held
A. F. C. Wultex Limited*	Derby 1	Ordinary	90
A.P.E. – Allen Gears Limited*	Derby 1	Ordinary	100
Allen Power Engineering Limited*	Derby 1	Ordinary	100
Amalgamated Power Engineering Limited*	Derby 1	Deferred	100
		Ordinary	100
Bergen Engines AS	Hordvikneset 125, N-5108, Hordvik, Bergen 1201, Norway	Ordinary	100
Bergen Engines Bangladesh Private Limited	Green Granduer, 6th Floor, Plot n.58 E, Kamal Atatürk Avenue Banani, C/A Dhaka, 1213, Bangladesh	Ordinary	100
Bergen Engines BV	Werfdijk 2, 3195HV Pernis, Rotterdam, Netherlands	Ordinary	100
Bergen Engines Denmark A/S	Værftsvej 23, 9000 Ålborg, Denmark	Ordinary	100
Bergen Engines India Private Limited	52-b, 2nd Floor, Okhla Industrial Estate, Phase III, New Delhi 110020, India	Ordinary	100
Bergen Engines Limited	Derby 1	Ordinary	100
Bergen Engines PropertyCo AS	Hordvikneset 125, N-5108, Hordvik, Bergen 1201, Norway	Ordinary	100
Bergen Engines S.L.	Calle Dinamarca s/n (esquina Calle Alemania), Polígono Industrial de Constanti, 43120 Constanti, Tarragona, Spain	Social Participation	100
Bergen Engines S.r.l.	13 Via Castel Morrone, 16161, Genoa, Italy	Social Capital	100
Bristol Siddeley Engines Limited*	Derby 1	Ordinary	100
Brooks Inspection Solutions Limited*	Derby 1	Ordinary	100
Brown Brothers & Company Limited*	Taxiway, Hillend Industrial Estate, Dalgety Bay, Dunfermline, Fife, Scotland, KY11 9JT	Ordinary	100
C.A. Parsons & Company Limited*	Derby 1	Ordinary	100
Composite Technology and Applications Limited	Derby 1	Ordinary	100
Croydon Energy Limited*	Derby 1	Ordinary	100
Data Systems & Solutions, LLC	Wilmington 2	Partnership	100
Deeside Titanium Limited*	Derby 1	Ordinary	82.5
Derby Cogeneration Limited*	Derby 1	Ordinary	100
Derby Specialist Fabrications Limited*	Derby 1	Ordinary	100
Europea Microfuzioni Aerospaziali S.p.A.	Zona Industriale AS1, 83040 Morra de Sanctis, Avellino, Italy	Ordinary	100
Exeter Power Limited*	Derby 1	Ordinary	100
Fluid Mechanics LLC	Wilmington 2	Partnership	100
Heartlands Power Limited*	Derby 1	Ordinary	100
Heaton Power Limited*	Derby 1	Ordinary	100
John Thompson Cochran Limited*	Taxiway, Hillend Industrial Estate, Dalgety Bay, Dunfermline, Fife, Scotland, KY11 9JT	6% Cumulative Preference	100
		Ordinary	100
John Thompson Limited*	Derby 1	Ordinary	100
Kalvet Engineering (Proprietary) Limited*	Corner Marconi Road and 3rd Street Montague Gardens, Western Cape, 7441, South Africa	Ordinary	100
Kamewa AB*	Box 1010, S-68129, Kristinehamn, Sweden	Ordinary	100
Kamewa do Brasil Equipamentos Marítimos Limitada*	401 Rua Visconde de Pitaja 433, Rio de Janeiro, Brazil	Quotas	100
Kamewa Holding AB*	Box 1010, S-68129, Kristinehamn, Sweden	Ordinary	100
Kamewa UK Limited*	Derby 1	Deferred Preference	100
		Ordinary	100
Karl Maybach-Hilfe GmbH	Maybachplatz 1, 88045, Friedrichshafen, Germany	Ordinary	100
L'Orange Fuel Injection (Ningbo) Co, Limited	#3 Hall, No.55 South Qihang Road, Yinzhou Economic Development Zone, Ningbo City, 315145, China	Equity	100
L'Orange Fuel Injection Trading (Suzhou) Co.	No. 88 Suhong Middle Road, Suzhou Industrial Park, Suzhou 215000, China	Equity	100
L'Orange GmbH	Porschestraße 30, 70435 Stuttgart, Germany	Ordinary	100
L'Orange Unterstützungskasse GmbH	Rudolph-L'Orange-Strasse 1, 72293 Glatten, Germany	Ordinary	100
MTU America Inc.	Wilmington 2	Ordinary	100
MTU Asia PTE Limited	112 Robinson Road, #05-01, The Corporate Office, 068902, Singapore	Ordinary	100
MTU Benelux B.V.	Merwedestraat 86, 3313 CS, Dordrecht, Netherlands	Ordinary	100
MTU China Company Limited	Room 1801 - 1803 18/F Ascendas Plaza, No.333 Tian Yao Qiao Road, Xuhai District, Shanghai, 200030, China	Ordinary	100
MTU do Brasil Limitada	Via Anhanguera, KM 29203, 05276-000 Sao Paulo - SP, Brazil	Ordinary	100
MTU Engineering (Suzhou) Company Limited	9 Long Yun Road, Suzhou Industrial Park, Suzhou 215024, Jiang Su, China	Ordinary	100
MTU France S.A.S.	281 Chaussée Jules César, 95250 Beauchamp, France	Ordinary	100
MTU Friedrichshafen GmbH	Maybachplatz 1, 88045, Friedrichshafen, Germany	Capital Stock	100
MTU Hong Kong Limited	36/F Tower Two, Time Square, 1 Matheson Street, Causeway Bay, Hong Kong	Ordinary	100
MTU Ibérica Propulsión y Energía S.L.	Calle Copérnico 26-28, 28823 Coslada, Madrid, Spain	Ordinary	100

* Dormant entity

1 Moor Lane, Derby, England, DE24 8BJ

2 Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE19808, United States

ROLLS-ROYCE GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Subsidiaries continued

Company name	Address	Class of shares	% of class held
MTU India Private Limited	HM Geneva House, Unit No. 303, 3rd Floor, No. 14 Cunningham Road, Bangalore, KA 560052, India	Ordinary	100
MTU Israel Limited	4 Ha'Alon Street, South Building, Third Floor, 4059300 Kfar Neter, Israel	Ordinary	100
MTU Italia S.r.l.	Via Aurelia Nord, 328, 19021 Arcola (SP), Italy	Capital Stock	100
MTU Japan Co. Limited	Takanawa-Meiko Building, 2-Chome 15-19, Takanawa, Minato-ku, 108-0074 Tokyo, Japan	Ordinary	100
MTU Korea Limited	22nd Floor, Olive Tower, 41 Sejongdaero 9 gil, Junggu, 100-737 Seoul, Republic of Korea	Ordinary	100
MTU Middle East FZE	S3B5SR06, Jebel Ali Free Zone, P.O. Box 61141, Dubai, United Arab Emirates	Ordinary	100
MTU Motor T�rbin Sanayi ve Ticaret. A.�.	Hatira Sokak, No. 5, �merli Mahellesi, 34555 Arnavutk�y, Istanbul, Turkey	Ordinary	100
MTU Onsite Energy Corporation	100 Power Drive, Mankato, Minnesota 56001, United States	Common Stock	100
MTU Onsite Energy GmbH	Dasinger Strasse 11, 86165, Augsburg, Germany	Ordinary	100
MTU Onsite Energy Systems GmbH	Rotthofer Strasse 8, 94099 Ruhstorf a.d. Rott, Germany	Ordinary	100
MTU Polska Sp. Z o.o.	Ul. �laska, Nr 9. Raum, Ort: Stargard Szczeci�ski, Plz: 73-110, Poland	Ordinary	100
MTU Reman Technologies GmbH	Friedrich-List-Strasse 8, 39122 Magdeburg, Germany	Ordinary	100
MTU Rus Limited Liability Company	Vashutinskoye Sh. 24 B, Khimki, 141402, Moscow, Russian Federation	Ordinary	100
MTU South Africa (Proprietary) Limited	Corner Marconi Road and 3rd Street Montague Gardens, Western Cape, 7441, South Africa	Ordinary	100
MTU UK Limited	Derby �	Ordinary	100
Navis Consult d.o.o.	Ul. Bartola Ka�ica 5/4, HR-51000, Rijeka, Croatia	Ordinary	75
NEI Combustion Engineering Limited*	Derby �	A Ordinary	100
		B Ordinary	100
		Deferred	100
NEI International Combustion Limited*	Derby �	Ordinary	100
NEI Mining Equipment Limited*	Derby �	Ordinary	100
NEI Nuclear Systems Limited*	Derby �	Ordinary	100
NEI Overseas Holdings Limited*	Derby �	Ordinary	100
NEI Parsons Limited*	Derby �	Ordinary	100
NEI Peebles Limited*	Derby �	Ordinary	100
NEI Power Projects Limited*	Derby �	Ordinary	100
NEI Services Limited*	Derby �	Ordinary	100
Nightingale Insurance Limited	Maison Trinity, Trinity Square, St. Peter Port, Guernsey, GY1 4AT	Ordinary	100
Optimized Systems and Solutions (US) LLC	Wilmington �	Partnership	100
		Redeemable Non-Cumulative Preference	100
PKMJ Technical Services, Inc.	Wilmington �	Ordinary	100
Powerfield Limited*	Derby �	Ordinary	100
Powerfield Specialist Engines Limited*	Derby �	Ordinary	100
Prokura Diesel Services (Proprietary) Limited	Corner Marconi Road and 3rd Street Montague Gardens, Western Cape, 7441, South Africa	Ordinary	100
PT MTU Indonesia	Secure Building Blok B, Jl. Raya Protokol Halim, Perdanakusuma, Jakarta, 13610, Indonesia	Ordinary	100
PT Rolls-Royce	Mid Plaza 2, Lantai 16 Jl. Jenderal Sudirman 10-11, Jakarta, Pusat, 10220, Indonesia	Ordinary	100
R.O.V. Technologies, Inc.	Corporation Service Company, 100 North Main Street, Suite 2, Barre, VT 05641, United States	Ordinary	100
Rallyswift Limited*	Derby �	Ordinary	100
Reyrolle Belmos Limited*	Taxiway, Hillend Industrial Estate, Dalgety Bay, Dunfermline, Fife, Scotland, KY11 9JT	Ordinary	100
Rolls-Royce (Ireland) Unlimited Company*	Ulster International Finance, 1st Floor, IFSC House, IFSC, Dublin 1, Ireland	Ordinary	100
Rolls-Royce (Thailand) Limited	900, 11th Floor Tonson Tower, Ploenchit Road, Lumpini, Pathumwan, Bangkok, Thailand	Ordinary	100
Rolls-Royce AB	Box 1010, S-68129, Kristinehamn, Sweden	Ordinary	100
Rolls-Royce Aero Engine Services Limited*	Derby �	Ordinary	100
Rolls-Royce Australia Limited*	Suite 102, 2-4 Lyonpark Road, Macquarie Park, NSW 2113, Australia	Ordinary	100
Rolls-Royce Australia Services PTY Limited	Suite 102, 2-4 Lyonpark Road, Macquarie Park, NSW 2113, Australia	Ordinary	100
Rolls-Royce Brasil Limitada	Rua dr Cincinato Braga 47, Planalto, S�o Bemando do Campo/SP, 09890-900, Brazil	Quotas	100
Rolls-Royce Canada Limited	9500 C�te de Liesse, Lachine, Qu�bec H8T 1A2, Canada	Common Stock	100
Rolls-Royce Capital Limited*	London �	Ordinary	100
Rolls-Royce Civil Nuclear Canada Limited	597 The Queensway, Peterborough ON K9J7J6, Canada	Class A Preferred	100
		Common Shares	100
Rolls-Royce Civil Nuclear S.A.S.	23 chemin du Vieux Ch�ne, 38240, Meylan, France	Ordinary	100

* Dormant entity

  Moor Lane, Derby, England, DE24 8BJ

  Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE19808, United States

ROLLS-ROYCE GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Subsidiaries continued

Company name	Address	Class of shares	% of class held
Rolls-Royce Commercial (Beijing) Co., Limited	305-306 Indigo Building 1, 20 Jiuxianqiao Road, Beijing, 100016, China	Registered Capital	100
Rolls-Royce Commercial Aero Engines Limited*	Derby 1	Ordinary	100
Rolls-Royce Control Systems Holdings Co	Wilmington 2	Common Stock	100
Rolls-Royce Controls and Data Services (NZ) Limited	Level 7 Bayleys Building, 36 Brandon Street, Wellington, 6011, New Zealand	Ordinary	100
Rolls-Royce Controls and Data Services Controls and Data Services (UK) Limited	Derby 1	Ordinary	100
Rolls-Royce Controls and Data Services Inc.	Wilmington 2	Common Stock	100
Rolls-Royce Controls and Data Services Limited	Derby 1	Ordinary	100
Rolls-Royce Corporation	Wilmington 2	Common Stock	100
Rolls-Royce Côte d'Ivoire Sarl	7 Boulevard Latrille, Abidjan-Cocody, 25 BP 945, Abidjan 25, Côte d'Ivoire	Ordinary	100
Rolls-Royce Crosspointe LLC	Wilmington 2	Partnership	100
Rolls-Royce de Venezuela SA*	Avenida 3E, entre Calles 78 y 79, Torre Empresarial Claret, Piso 10, Oficina 10-3, Sector Valle Frio, Maracaibo, Estado Zulia, Venezuela	Registered Shares	100
Rolls-Royce Defense Products and Solutions Inc.	Wilmington 2	Common Stock	100
Rolls-Royce Defense Services Inc.	Wilmington 2	Common Stock	100
Rolls-Royce Deutschland Ltd & Co KG	Eschenweg 11, 15827 Blankenfelde-Mahlow, Germany	Ordinary	100
Rolls-Royce Energy Angola, Limitada*	Rua Rei Katyavala, Edifício Rei Katyavala, Entrada B, Piso 8, Luanda, Angola	Quota	100
Rolls-Royce Energy Systems Inc.	Wilmington 2	Common Stock	100
Rolls-Royce Engine Controls Holdings Limited	Derby 1	Ordinary	100
Rolls-Royce Engine Services – Oakland Inc.	Corporation Service Company, 2710 Gateway Oaks Dr., Suite 150N, Sacramento, CA 95833, United States	Common Stock	100
Rolls-Royce Engine Services Holdings Co	Wilmington 2	Common Stock	100
Rolls-Royce Engine Services Limitada Inc.*	Bldg 06 Berthaphil Compound, Jose Abad Santos Avenue, Clark Special Economic Zone, Clark, Pampanga, Philippines	Capital Stock	100
Rolls-Royce Erste Beteiligungs GmbH	Eschenweg 11, 15827 Blankenfelde-Mahlow, Germany	Ordinary	100
Rolls-Royce Finance Company Limited	Derby 1	Deferred Ordinary	100
Rolls-Royce Finance Holdings Co	Wilmington 2	Common Stock	100
Rolls-Royce Fuel Cell Systems Limited	Derby 1	Ordinary	100
Rolls-Royce General Partner Limited	Derby 1	Ordinary	100
Rolls-Royce High Temperature Composites Inc.	Corporation Service Company, 2710 Gateway Oaks Dr., Suite 150N, Sacramento, CA 95833, United States	Ordinary	100
Rolls-Royce Holdings Canada Inc.	9500 Côte de Liesse, Lachine, Québec H8T 1A2, Canada	Common C Shares	100
Rolls-Royce India Limited*	Derby 1	Ordinary	100
Rolls-Royce India Private Limited	Birla Tower West, 2nd Floor 25, Barakhamba Road, New Delhi, 110001, India	Equity	100
Rolls-Royce Industrial & Marine Power Limited*	Derby 1	Ordinary	100
Rolls-Royce Industrial Power (India) Limited*	Derby 1	Ordinary	100
Rolls-Royce Industrial Power (Overseas Projects) Limited*	Derby 1	Ordinary	100
Rolls-Royce Industrial Power Engineering (Overseas Projects) Limited	Derby 1	Ordinary	100
Rolls-Royce Industrial Power Investments Limited*	Derby 1	2.8% Cumulative Redeemable Preference Stock	100
		4.9% Cumulative Preference Stock	100
		Ordinary	100
Rolls-Royce Industries Limited*	Derby 1	Ordinary	100
Rolls-Royce International Limited	Derby 1	Ordinary	100
Rolls-Royce International LLC	Office 41N, Lit. A, 32-34 Nevsky Prospect, St. Petersburg, 19186, Russia	Ordinary	100
Rolls-Royce International s.r.o.	Pobřežní 620/3, postal code 186 00, Karlín - Prague 8, Czech Republic	Ordinary	100
Rolls-Royce Italia S.r.l.	13 Via Castel Morrone, 16161, Genoa, Italy	Ordinary	100
Rolls-Royce Japan Co Limited	31st Floor, Kasumigaseki Building, 3-2-5 Kasumigaseki, Chiyoda-Ku, Tokyo, 100-6031, Japan	Ordinary	100
Rolls-Royce JSF Holdings Inc.	Wilmington 2	Common Stock	100
Rolls-Royce Leasing Limited	Derby 1	Ordinary	100
Rolls-Royce Malaysia Sdn. Bhd.	Suite 13.03, 13th Floor, Menara Tan & Tan, 207 Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia	Ordinary	100
Rolls-Royce Marine A/S	Værftsvej 23, 9000 Ålborg, Denmark	Ordinary	100
Rolls-Royce Marine AS	Borgundvegen 340, Ålesund, 6009, Norway	Ordinary	100

* Dormant entity

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3 62 Buckingham Gate, London, England, SW1E 6AT

ROLLS-ROYCE GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Subsidiaries continued

Company name	Address	Class of shares	% of class held
Rolls-Royce Marine Asia Limited	G/F, No 1-3 Wing Yip Street, Kwai Chung, New Territories, Hong Kong	Ordinary	100
Rolls-Royce Marine Australia PTY. Limited	Unit 2/8 Wallace Way, Fremantle WA 6160, Australia	Ordinary	100
Rolls-Royce Marine Benelux BV	Werfdijk 2, 3195 HV Pernis, Rotterdam, Netherlands	Ordinary	100
Rolls-Royce Marine Chile S.A.	Alcantara 200, 6th floor, office 601, Las Condes, Santiago, Chile	Ordinary	100
Rolls-Royce Marine Deutschland GmbH	Fährstieg 9, 21107, Hamburg, Germany	Ordinary	100
Rolls-Royce Marine Electrical Systems Limited*	Derby 1	Ordinary	100
Rolls-Royce Marine Espana S.A.	Calle Dinamarca s/n (esquina Calle Alemania), Poligono Industrial de Constanti, 43120 Constanti, Tarragona, Spain	Ordinary	100
Rolls-Royce Marine France SARL	122 avenue Charles de Gaulle, 92200 Neuilly sur Seine, France	Ordinary	100
Rolls-Royce Marine Hellas S.A.	25 Atki Poseidonos str. & Makrigianni str., Moschato, Athens, GR-18344, Greece	Ordinary	100
Rolls-Royce Marine Hong Kong Limited	G/F, Chung Shun Knitting Centre, No.'s 1-3 Wing Yip Street, Kwai Chung, New Territories, Hong Kong	Ordinary	100
Rolls-Royce Marine India Private Limited	Plot D-505, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai, 400703 Maharashtra, India	Ordinary	100
Rolls-Royce Marine Korea Limited	197 Noksan SanEop Buk-Ro, (Songjeong-dong) Gangseo-gu, Busan 46753, Republic of Korea	Ordinary	100
Rolls-Royce Marine Manufacturing (Shanghai) Limited	No.1 Xuanzhong Road, Xuanqiao Town, Pudong New Area, Shanghai, 201399, China	Ordinary	100
Rolls-Royce Marine North America Inc.	Wilmington 2	Common Stock	100
Rolls-Royce Marine Power Operations Limited	Derby 1	A Ordinary	100
		B Ordinary	100
Rolls-Royce Mechanical Test Operations Centre GmbH	Kiefernstrasse 1, 15827 Blankenfelde-Mahlow OT, Dahlewitz, Germany	Ordinary	100
Rolls-Royce Mexico Administration S de RL de CV	Boulevard Adolfo Ruiz Cortinez 3642-403, Fracc Costa de Oro, Veracruz CP 94299 6, Mexico	Ordinary	100
Rolls-Royce Mexico S de RL de CV	Boulevard Adolfo Ruiz Cortinez 3642-403, Fracc Costa de Oro, Veracruz CP 94299 6, Mexico	Ordinary	100
Rolls-Royce Military Aero Engines Limited*	Derby 1	Ordinary	100
Rolls-Royce Namibia (Proprietary) Limited	2nd Floor, Unit 4, LA Chambers, Aussspann Plaza, Dr Agostinho Neto Road, Aussspannplatz, Windhoek, Namibia	Ordinary	100
Rolls-Royce New Zealand Limited	Level 7 Bayleys Building, 36 Brandon Street, Wellington, 6011, New Zealand	Ordinary	100
Rolls-Royce Nigeria Limited*	7th Floor Marble House, 1 Kingsway Road, Falomo, Ikoyi, Lagos, Nigeria	Ordinary	100
Rolls-Royce North America (USA) Holdings Co.	Wilmington 2	Common Stock	100
Rolls-Royce North America Holdings Inc.	Wilmington 2	Common Stock	100
Rolls-Royce North America Inc.	Wilmington 2	Common Stock	100
Rolls-Royce North America Ventures Inc.	Wilmington 2	Common Stock	100
Rolls-Royce North American Technologies Inc.	Wilmington 2	Common Stock	100
Rolls-Royce Nuclear Field Services France S.A.S	ZA Notre-Dame, 84430, Mondragon, France	Ordinary	100
Rolls-Royce Nuclear Field Services Inc.	Corporation Service Company, 80 State Street, Albany, NY 12207, United States	Common Stock	100
Rolls-Royce Oman LLC	Bait Al Reem, Business Office #131, Building No 81, Way No 3409, Block No 234, Al Thaqafa Street, Al Khuwair, Sultanate of Oman, PO Box 20, Postal Code 103	Ordinary	100
Rolls-Royce Operations (India) Private Limited	RMZ-NXT, Campus 2A, Unit 001 Ground Floor, Near to SAP, Whitefield Road, EPIP Zone, Mahadevapura, Bangalore 560066, Karnataka, India	Ordinary	100
Rolls-Royce Overseas Holdings Limited	Derby 1	Ordinary	100
Rolls-Royce Overseas Investments Limited	Derby 1	Ordinary	100
Rolls-Royce Oy Ab	PO Box 220, Suojantie 5, 26101, Rauma, Finland	A Shares	100
Rolls-Royce Placements Limited	Derby 1	Ordinary	100
Rolls-Royce plc	London 1	Ordinary	100
Rolls-Royce Poland Sp. z o.o.	Gniew 83-140, ul. Kopernika 1, Poland	Ordinary	99.9
Rolls-Royce Power Development Limited	Derby 1	Ordinary	100
Rolls-Royce Power Engineering plc	Derby 1	Ordinary	100
Rolls-Royce Power Systems AG	Maybachplatz 1, 88045, Friedrichshafen, Germany	Ordinary	100
Rolls-Royce Saudi Arabia Limited	PO Box 88545, Riyadh, 11672, Saudi Arabia	Cash Shares	100
Rolls-Royce Singapore Pte. Limited	1 Marina Boulevard, #28-00 One Marina Boulevard, Singapore, 018989	Ordinary	100
Rolls-Royce Technical Support Sarl	Centreda I, Avenue Didier Daurat, 31700 Blagnac, Toulouse, France	Ordinary	100
Rolls-Royce Total Care Services Limited	Derby 1	Ordinary	100
Rolls-Royce Turkey Power Solutions Industry and Trade Limited	Meclis-i Mebusan Cad No 1, Ekemen Han, 34427 Kabataş Istanbul, Turkey	Cash Shares	100
Rolls-Royce UK Pension Fund Trustees Limited*	Derby 1	Ordinary	100
Rolls-Royce Vietnam Limited	Đông Xuyên Industrial Zone, Rach Dừa Ward, Vũng Tàu City, Bà Rịa-Vũng Tàu Province, Vietnam	Capital Stock	100
Rolls-Royce Zweite Beteiligungs GmbH	Eschenweg 11, 15827 Blankenfelde-Mahlow, Germany	Ordinary	100
Ross Ceramics Limited	Derby 1	Ordinary	100
Scandinavian Electric Gdansk Sp. z o.o.	ul. Reja No.3, 80-404, Gdansk, Poland	Ordinary	67

* Dormant entity

1 Moor Lane, Derby, England, DE24 8BJ

2 Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE19808, United States

3 62 Buckingham Gate, London, England, SW1E 6AT

ROLLS-ROYCE GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Subsidiaries continued

Company name	Address	Class of shares	% of class held
Scandinavian Electric Systems do Brazil Limitada	Rua Sao Jose 90, salas 1406 e 1407, Centro, Rio De Janeiro, Brazil	Quotas	66
Sharing in Growth UK Limited ¹	Derby ²	Limited by Guarantee	100
Spare IPG (AGL) Limited*	Derby ²	Ordinary	100
Spare IPG 4 Limited*	Derby ²	Ordinary	100
Spare IPG 15 Limited*	Derby ²	Ordinary	100
Spare IPG 18 Limited*	Derby ²	Ordinary	90
Spare IPG 20 Limited*	Derby ²	Ordinary	100
Spare IPG 24 Limited*	Derby ²	Ordinary	100
Spare IPG 27 Limited*	Taxiway, Hillend Industrial Estate, Dalgety Bay, Dunfermline, Fife, Scotland, KY11 9JT	Ordinary	100
Spare IPG 32 Limited*	Derby ²	7.25% Cumulative Preference Ordinary	100
Stone Vickers Limited*	Derby ²	Ordinary	100
The Bushing Company Limited*	Derby ²	Ordinary	100
Timec 1487 Limited*	Derby ²	Ordinary	100
Trigno Energy S.R.L.	Zona Industriale, 66050 San Salvo, Italy	Ordinary	100
Ulstein Holdings AS	Sjøgata 80, 6065 Ulsteinvik, Norway	Ordinary	100
Ulstein Maritime Limited	96 North Bend Street, Coquitlam, British Columbia V3K 6H1 Canada	Common	100
Vessel Lifter Inc.*	Corporation Service Company, 1201 Hays Street, Tallahassee, FL32301, United States	Common Stock	100
Vickers Pension Trustees Limited*	Derby ²	Ordinary	100
Vickers Pressings Limited*	Derby ²	Ordinary	100
Viking Power Limited*	Derby ²	Ordinary	100
Vinters Defence Systems Limited*	Derby ²	Ordinary	100
Vinters Engineering Limited	Derby ²	Ordinary	100
Vinters International Limited	Derby ²	Ordinary	100
Vinters Limited	Derby ²	Ordinary	100
Vinters-Armstrongs (Engineers) Limited*	Derby ²	Ordinary	100
Vinters-Armstrongs Limited*	Derby ²	Ordinary B	100
Wultex Machine Company Limited*	Derby ²	Ordinary	100

The following companies were dissolved on 3 January 2017 - NEI Allen Limited, NEI Limited, Oxygenaire Limited, R-R Industrial Controls Limited, Rolls-Royce Industrial & Marine Gas Turbines Limited, Rolls-Royce Industrial Power Systems Limited, Rolls-Royce Transmission & Distribution Limited, Spare IPG (CEL) Limited, Spare IPG 3 Limited, Spare IPG 11 Limited, Spare IPG 22 Limited, Spare IPG28 Limited and Spare IPG 30 Limited. Crossley-Premier Engine (Sales) Limited was dissolved on 10 January 2017. John Hastie of Greenock (Holdings) Limited and Spare RRPD (BEL) Limited were dissolved on 17 January 2017.

Joint ventures and associates

Company name	Address	Class of shares	% of class held	Group interest held %
Aero Gearbox International SAS ³	18 boulevard Louis Seguin, 92700 Colombes, France	Ordinary	50	50
Aerospace Transmission Technologies GmbH ³	Adelheidstrasse 40, D-88046, Friedrichshafen, Germany	Ordinary	50	50
Airtanker Holdings 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 (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	Wilmington ⁴	Partnerships (no equity held)		50
Alpha Partners Leasing Limited	London ⁵	A Ordinary	100	50
Anecom Aerotest GmbH	122 Freiheitsstrasse, Wildau, D-15745, Germany	Ordinary	24.9	24.9
CFMS Limited	Victoria House, 51 Victoria Street, Bristol, England, BS1 6AD	Limited by Guarantee	n/a	50
Clarke Chapman Portia Port Services Limited	Maritime Centre, Port of Liverpool, Liverpool, England, L21 1LA	A Ordinary	100	50
Egypt Aero Management Services	EgyptAir Engine Workshop, Cairo International Airport, Cairo, Egypt	Ordinary	50	50

* Dormant entity

¹ The entity is not included in the consolidation as Rolls-Royce plc does not have a beneficial interest in the net assets of the entity.

² Moor Lane, Derby, England, DE24 8BJ

³ As at 31 December 2016, these entities are accounted for as joint operations (see note 1 accounting policies of Rolls-Royce Holdings plc financial statements)

⁴ Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE19808, United States

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

ROLLS-ROYCE GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Joint ventures and associates continued

Company name	Address	Class of shares	% of class held	Group interest held %
EPI Europrop International GmbH	Dachauer Strasse 655, 80995 Munich, Germany	Ordinary	28	Effective 35.5
Eurojet Turbo GmbH	Lilienthalstrasse 2b, 85399 Hallbergmoos, Germany	Ordinary	33	Effective 39
GE Rolls-Royce Fighter Engine Team LLC	The Corporation Trust Company, 1209, Orange Street, Wilmington, DE19801, United States	Partnership (no equity held)		40
Genistics Holdings Limited	Derby ¹	Ordinary A	100	50
Global Aerospace Centre for Icing and Environmental Research Inc.	1000 Marie-Victorin Boulevard, Longueuil, Québec, J4G 1A1, Canada	Ordinary	50	50
Hong Kong Aero Engine Services Limited	33rd Floor, One Pacific Place, 88 Queensway, Hong Kong	Ordinary	50	50
Hovden Klubbhus AS	Stålhaugen 5, Ulsteinvik, 6065 Norway	Ordinary	69	69
Industria De Turbo Propulsores SA	Parque Tecnológico Edificio 300, 48170 Zamudio, Vizcaya, Spain	Ordinary	46.9	46.9
International Aerospace Manufacturing Private Ltd ²	Survey No.3 Kempapura Village, Varthur Hobli, Bangalore, KA 560037, India	Ordinary	50	50
LG Fuel Cell Systems Inc.	Wilmington ³	Common Stock	25	25
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 Söldnermoos 17, 85399 Hallbergmoos, Germany	Ordinary	33.3	33.3
MTU Turbomeca Rolls-Royce ITP GmbH	Am Söldnermoos 17, 85399 Hallbergmoos, Germany	Ordinary	25	Effective 37
N3 Engine Overhaul Services GmbH & Co KG	Gerhard-Höltje-Strasse 1, D-99310, Arnstadt, Germany	Ordinary	50	50
N3 Engine Overhaul Services Verwaltungsgesellschaft MbH	Gerhard-Höltje-Strasse 1, D-99310, Arnstadt, Germany	Ordinary	50	50
Offshore Simulator Centre AS	Borgundvegen 340, 6009, Ålesund, Norway	Ordinary	25	25
Rolls Laval Heat Exchangers Limited*	Derby ¹	Ordinary A	100	50
Rolls-Royce & Partners Finance (US) LLC, Rolls-Royce & Partners Finance (US) (No.2) LLC	Wilmington ³	Partnerships (no equity held)		50
Rolls-Royce Snecma Limited	Derby ¹	Ordinary B	100	50
Shanxi North MTU Diesel Co. Limited	No. 97 Daqing West Road, Datong City, Shanxi Province, China	Ordinary	49	49
Singapore Aero Engine Services Private Limited	11 Calshot Road, 509932, Singapore	Ordinary	50	50
Techjet Aerofoils Limited ²	Tefen Industrial Zone, PO Box 16, 24959, Israel	Ordinary A Ordinary B	50 50	50
Texas Aero Engine Services LLC	The Corporation Trust Company, 1209, Orange Street, Wilmington, DE19801, United States	Partnership (no equity held)		50
TRT Limited	Derby ¹	Ordinary B	100	49.5
Turbine Surface Technologies Limited ²	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 Road, Knutsford, Cheshire, England, WA16 8QZ	Ordinary	20	20
Viking Reisebyra AS	Stålhaugen 10, 6065 Ulsteinvik, Norway	Ordinary	50	50
Xian XR Aero Components Co., Limited ²	Xujiawan, Beijiao, PO Box 13, Xian 710021, Shaanxi China	Ordinary	49	49

* Dormant entity

¹ Moor Lane, Derby, England DE24 8BJ

² As at 31 December 2016, these entities are accounted for as joint operations (see note 1 accounting policies of Rolls-Royce Holdings plc financial statements)

³ Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE19808, United States