Rolls-Royce Group plc | Annual report 2008

## Rusiness review Introduction

# Rolls-Royce is a global business providing and supporting integrated power systems for use on land, at sea and in the air. The Group has a balanced business portfolio with leading market positions.

	2008	2007	Change	2006	2005	2004
Order book – firm and announced (£bn)	55.5	45.9	21%	26.1	24.4	21.3
Underlying revenue (£m)*	9,147	7,817	17%	7,353	6,458	5,947
Profit before financing (£m)	862	512	68%	693	877	417
Underlying profit before tax (£m)**	880	800	10%	705	593	364
Underlying EBITDA (£m)	1,244	1,065	17%	979	933	717
Earnings per ordinary share (p)	(73.63)	33.67	(319%)	57.32	20.11	15.56
Underlying earnings per ordinary share (p)**	36.70	34.06	8%	29.81	24.48	15.62

#### Civil aerospace

We are one of the world's largest civil aero-engine providers, with more than 12.000 Rolls-Royce jet engines in service. We power over 30 civil aircraft types, from small executive jets through to large passenger aircraft.

### Defence aerospace

£1.7 on Rolls-Royce is the world's second largest Underlying revenue defence aero-engine manufacturer, providing around 25 per cent of the world's military engines. Our portfolio covers all major sectors, including transport, helicopters, combat, trainers and tactical aircraft.

#### Marine

£2.2bn We are a global leader in marine propulsion for cruise, fast vessel, naval and offshore markets and a world leader in ship design for the offshore sector. We support 2,000 commercial marine customers and 70 navies use our propulsion systems and marine equipment.

#### **Energy**

Rolls-Royce is a world leader in power for the Underlying revenue oil and gas industry and our gas turbines have a growing presence in the electrical power generation market. Our skills and technology will also address the growing global market for nuclear power.

# 52% Services

Group sales The Group seeks to be the customer's first choice for services by developing long-term relationships. Our comprehensive support contracts enable us to add value for our customers by using our technology, skills and data management expertise.

Our skills, technologies and systems integration capabilities give us strength in global markets.

<sup>\*</sup>Underlying revenues reflect actual US\$ exchange rates on settled derivative contracts.

<sup>\*\*</sup>Reconciliation of underlying results is provided in note 2 on page 99 and note 5 on page 103 of the consolidated financial statements.