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**ROLLS-ROYCE INCREASES SINGAPORE INVESTMENT  
TO SUPPORT CONTINUED GROWTH**

Rolls-Royce, the global power systems company, today announced plans to build a new wide chord fan blade (WCFB) factory in Singapore. The factory will be located at the Group's Seletar Campus alongside the previously announced 'Facility of the Future', which will test and assemble Trent aero engines.

Total investment in the Rolls-Royce Seletar Campus, including investment in the WCFB factory, will exceed S\$700million (around £300 million). It will create approximately 500 new jobs when fully operational, bringing the number of people employed by the Group in Singapore to around 2,000. Construction of the Facility of the Future and all other elements of the campus, including a regional training centre, will begin in the first quarter of 2010.

The new factory will be the first outside the UK to manufacture Rolls-Royce hollow titanium WCFBs, a technology which has played a key role in the success of the Trent engine family. It will provide additional capacity to the Group's Barnoldswick factory in the UK, which Rolls-Royce separately announced today will be receiving further investment.

The Group's growing global order book totalled £55.5 billion at the end of 2008, of which 44 per cent was generated by customers in the Asia Pacific region. The Group's success in global markets generates the need for additional capacity to support long-term growth and an expanding customer base.

The decision to locate the new facility in Singapore has been determined by four strategic considerations: the benefits of locating major facilities close to key customers; the business continuity benefits that will arise from locating critical component manufacturing in two locations; the highly competitive skills and productivity levels in Singapore, exemplified by the Group's joint venture partnerships with Singapore Airlines Engineering Company; and the support provided by the Singapore Economic Development Board (EDB) and Jurong Town Corporation (JTC).

Sir John Rose, Rolls-Royce Chief Executive, commented: "Singapore has become a vitally important centre for the Group's operations and this latest investment in wide chord fan blade capability reflects our continuing confidence in Singapore as a place to locate high value-added manufacturing. I am particularly pleased that we are receiving the support of the Singapore EDB with whom we already have a very strong relationship."

Mr Leo Yip, Chairman EDB, commented: "We are delighted that Rolls-Royce has chosen Singapore for the manufacture of Wide Chord Fan Blades. This, together with Rolls-Royce's Trent aero engine assembly and test facility at Seletar Aerospace Park, is a strong vote of confidence in Singapore's capabilities to be a home for high-value

manufacturing and development activities. The Rolls-Royce campus taking shape at Seletar reinforces our position as a leading global aerospace hub, and reflects the very strong partnership between Rolls-Royce and Singapore.”

## **NOTE TO EDITORS**

1. Rolls-Royce is a global business, providing and supplying integrated power systems for use on land, at sea and in the air. The Group has established a strong position in civil aerospace, defence aerospace, marine and energy markets.
2. Rolls-Royce employs around 38,000 skilled people in offices, manufacturing and service facilities in 50 countries. The Group has a strong commitment to apprentice and graduate recruitment and to further developing employee skills.
3. Businesses are headquartered in the UK, US and Singapore. This global presence allows the Group to deliver benefits to its partners, in addition to being able to access long-term international growth opportunities with its technology, presence, partnerships and people.
4. Singapore is a key business hub for the Group. It is home to the global headquarters of the Group’s Marine business and the regional headquarters of its Asian Energy business. The Group’s Advanced Technology Centre and Procurement office is also located in Singapore and handles the management of suppliers in South Korea, Taiwan, Malaysia, India and South East Asia.
5. Rolls-Royce is developing its Facility of the Future, a Trent aero engine testing and assembly facility, at its new Seletar Campus in the Seletar Aerospace Park. It will be the most modern Rolls-Royce production engine assembly and test facility for large commercial aero engines, and the Group’s first in Asia.
6. Rolls-Royce has established a number of highly successful joint venture partnerships in Singapore, primarily with Singapore Airlines Engineering Company Limited (SIAEC). These include Singapore Aero Engine Services Limited (SAESL) and International Engine Components Overhaul (IECO), both of which provide services to major regional and global carriers.
7. The Singapore Economic Development Board is the lead government agency responsible for planning and executing strategies to enhance Singapore’s position as a global business centre and grow the Singapore economy. The EDB’s support for the Rolls-Royce Seletar Campus includes development grants, training support and the coordination of Singapore government agencies that enabled efficient and focussed discussions through the decision process.
8. Rolls-Royce has unique capability in the production of hollow WCFBs, which are critical components used in fans for civil and military engines and central to the performance of the engine.
9. The Group’s annual underlying revenues were £9.1 billion in 2008, 52 per cent of which came from services revenues. The firm and announced order book at the end of 2008 stood at £55.5 billion, providing visibility of future levels of activity.

10. The Group has invested £1.4 billion in capital projects over the last five years and £3.7 billion in research and development (R&D). In 2008, Rolls-Royce and its partners invested £885 million in R&D, two thirds of which had the objective of further improving the environmental aspects of its products, in particular the reduction of emissions.
11. Research and development is carried out in facilities in the UK, Canada, Germany, Singapore, the US and Scandinavia and the Group has particularly strong relationships with the 27 Rolls-Royce University Technology Centres worldwide.

### **For further information**

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