



# 88(2)

## Return of Allotment of Shares

Please complete in typescript,  
or in bold black capitals.

CHFP010.

Company Number

1003142

Company Name in full

ROLLS-ROYCE plc

### Shares allotted (including bonus shares):

Date or period during which shares were allotted (if shares were allotted on one date enter that date in the "from" box)	From			To										
	Day	Month	Year	Day	Month	Year								
	2	3	0	6	2	0	0	3						
Class of shares (ordinary or preference etc)	Ordinary													
Number allotted	1,630,996,508													
Nominal value of each share	20p													
Amount (if any) paid or due on each share (including any share premium)	0.20p													

List the names and addresses of the allottees and the number of shares allotted to each overleaf

If the allotted shares are fully or partly paid up otherwise than in cash please state:

% that each share is to be treated as  
paid up

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Consideration for which the shares  
were allotted

(This information must be supported by the duly  
stamped contract or by the duly stamped particulars  
on Form 88(3) if the contract is not in writing)

See attached KPMG Audit Plc report under Section 103(1)  
of the Companies Act 1985.

When you have completed and signed the form send it to  
the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ  
For companies registered in England and Wales

DX 33050 Cardiff

Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB  
For companies registered in Scotland

DX 235 Edinburgh



A28  
COMPANIES HOUSE

0308  
02/07/03

# Names and addresses of the allottees (List joint share allotments consecutively)

Shareholder details	Shares and share class allotted	
<b>Name</b> ROLLS-ROYCE GROUP plc	<b>Class of shares allotted</b> Ordinary	<b>Number allotted</b> 1,630,996,507
<b>Address</b> 65 Buckingham Gate London		
<b>UK postcode</b>   SW1E 6AT		
<b>Name</b> MANSFIELD HOLDINGS LIMITED	<b>Class of shares allotted</b> Ordinary	<b>Number allotted</b> 1
<b>Address</b> Moor Lane Derby		
<b>UK postcode</b>   DE24 8BJ		
<b>Name</b>	<b>Class of shares allotted</b>	<b>Number allotted</b>
<b>Address</b>		
<b>UK postcode</b>		
<b>Name</b>	<b>Class of shares allotted</b>	<b>Number allotted</b>
<b>Address</b>		
<b>UK postcode</b>		

Please enter the number of continuation sheets (if any) attached to this form

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Signed

*Deputy*  
 A director / secretary / administrator / administrative receiver / receiver-manager / receiver

Date

30th June 2003

Please give the name, address, telephone number and, if available, a DX number and Exchange of the person Companies House should contact if there is any query.

MR JOHN WARREN, DEPUTY COMPANY SECRETARY, ROLLS-ROYCE PLC	
MOOR LANE (ML-10), DERBY, DE24 8BJ.	
Tel 01332 245878	
DX number	DX exchange



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The Directors  
Rolls-Royce plc  
65 Buckingham Gate  
London  
SW1E 6AT

Our ref rp/ds

Contact Richard Pinckard  
020 7311 8642

23 June 2003

Dear Sirs

**Independent accountant's report to Rolls-Royce plc ("Rolls-Royce" or "the Company") for the purpose of Section 103 (1) of the Companies Act 1985**

We report on the issue of 1,630,996,508 ordinary shares (the "Ordinary Shares") in Rolls-Royce plc to Rolls-Royce Group plc in connection with the proposed scheme of arrangement under Section 425 of the Companies Act 1985 described in the circular to shareholders dated 11 April 2003.

For the purposes of Section 103 (1) of the Companies Act 1985 we report that:

- a) the nominal value of each of the Ordinary Shares to be wholly paid for by the non-cash consideration is 20p;
- b) the premium payable on each of the Ordinary Shares is Nil;
- c) the non-cash consideration for the allotment of the Ordinary Shares in Rolls-Royce plc to Rolls-Royce Group plc is the capitalisation of the reserves in Rolls-Royce plc created by the cancellation of Rolls-Royce plc's existing ordinary shares. The amount cancelled is the nominal value of the shares which creates the reserve amounting to £326,199,301.60;
- d) the nominal value of each of the Ordinary Shares is to be treated as fully paid up by the non-cash consideration;
- e) the whole of the non-cash consideration was valued by us as at 20 June 2003 on the basis that it is represented by the credit balance arising in the books of Rolls-Royce plc on the cancellation of the existing ordinary shares. In our opinion the method of valuation was reasonable in all the circumstances; and



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Registered in England No 3110745  
Registered office  
8 Salisbury Square  
London EC4Y 8BB

23 June 2003

- f) there appears to have been no material change in the value of the non-cash consideration between the date of the valuation and the date of this report.

On the basis of the valuation, the value of the non-cash consideration is not less than the aggregate of the nominal value of the Ordinary Shares to be treated as paid up by the non-cash consideration.

Yours faithfully

KPMG Audit Plc

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