

Rolls-Royce pulls out of race to power future Boeing plane

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Rolls-Royce posted a net loss last year as its Trent engines were hit by costly repairs

Rolls-Royce no longer wishes to be a candidate to make the engine for a

new midsize passenger jet proposed by US planemaker Boeing, the troubled British group said Thursday.

Rolls gave the update alongside news that it had dived into a [net loss](#) last year as its Trent engines were hit by costly repairs and a decision by Boeing's European rival Airbus to stop making the A380 jumbo.

Rolls posted a loss after tax of £2.4 billion (\$3.2 billion, 2.8 billion euros) for 2018 after a [net profit](#) of nearly £3.4 billion a year earlier, as the group also decided to axe thousands of jobs as part of vast restructuring at the group.

"Rolls-Royce has decided to withdraw from the current competition to power Boeing's proposed middle of the market—or New Midsize Airplane (NMA)—platform," the British group said in a statement.

"While we believe the platform complements Boeing's existing product range, we are unable to commit to the proposed timetable to ensure we have a sufficiently mature product which supports Boeing's ambition for the aircraft and satisfies our own internal requirements for technical maturity at entry into service," it added.

Chicago-based Boeing is looking at building an NMA, or single-aisle commercial jet for long-haul journeys, to fill a gap in the market—but concrete plans have yet to be announced.

Rolls on Thursday said that costs linked to problems with its Trent 1000 engine that powers the Boeing Dreamliner were a higher-than-expected £790 million in 2018.

The Trent 1000 has seen some parts wear quicker than expected, forcing Rolls to carry out expensive repairs.

The UK engineering giant added that last year's earnings were hit additionally by a charge of £186 million "following Airbus' decision to close the A380 production line".

Rolls in 2018 also began axing 4,600 mainly British management roles to slash costs.

The company based in the city of Derby, central England, is restructuring through to next year.

Also in 2018, Rolls sold its loss-making commercial marine business to Norwegian industrial giant Kongsberg.

The divestment enables the UK group to focus on its three core businesses, which comprise civil aerospace, defence and power systems.

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