

21 October 2011

**The Rank Group Plc interim management statement
16 and 42 weeks to 16 October 2011**
(all comparisons are with the equivalent periods in 2010)

The Rank Group Plc's ('Rank' or the 'Group') revenue for the 16 weeks to 16 October 2011 was in line with the same period last year. There was strong growth from online and mobile gaming, but continued weakness from our operations in Spain. Grosvenor Casinos sustained growth in customer visits but a lower win margin in its London venues held back revenue growth. In Mecca Bingo, like-for-like revenue was in line with the comparable period last year.

For the 42 week period, total Group and like-for-like revenue was up by 3%.

Group and segmental revenue to for 16 and 42 weeks to 16 October 2011*				
	Weeks 27 to 42		Weeks 1 to 42	
	Like-for-like**	Total	Like-for-like**	Total
Grosvenor Casinos	(1)%	(1)%	3%	3%
Mecca Bingo	0%	(1)%	2%	1%
Top Rank España***	(19)%	(19)%	(19)%	(19)%
Rank Interactive	21%	21%	23%	23%
Group	0%	0%	3%	3%

* Figures not adjusted for free bets, promotions and customer bonuses.

** Like-for-like excludes the effects of club openings, closures and relocations.

*** Top Rank España performance not adjusted for currency movement. In euro, revenue fell by 20% in the 42 week period.

Grosvenor Casinos

	Weeks 27 to 42		Weeks 1 to 42	
	Like-for-like	Total	Like-for-like	Total
Customer visits	7%	8%	11%	11%
Spend per visit	(8)%	(8)%	(7)%	(7)%
Revenue	(1)%	(1)%	3%	3%

Grosvenor Casinos like-for-like revenue was down 1% in the 16-week period as a 7% rise in customer visits could not offset an 8% reduction in spend per visit due to a lower win margin. Strong trading in Grosvenor's provincial casinos was offset by a drop in revenue from our London casinos where win margin fell by nearly 3 percentage points compared with the same period last year.

For the 42 week period revenue was up by 3%.

Earlier this year we set out our plans to expand and enhance the Grosvenor casinos estate to 45 UK venues by 2015. The latest addition to the Grosvenor portfolio opened earlier this month in Stockton-on-Tees.

Mecca Bingo

	Weeks 27 to 42		Weeks 1 to 42	
	Like-for-like	Total	Like-for-like	Total
Customer visits	(3)%	(3)%	(1)%	(2)%
Spend per visit	2%	2%	3%	3%
Revenue	0%	(1)%	2%	1%

Mecca Bingo like-for-like revenue was in-line with the same 16-week period last year with a 2% increase in spend per visit offsetting a 3% decline in customer visits. Total revenue growth was slightly lower than last year as a result of the closure of a small number of underperforming clubs.

For the 42 weeks, revenue was up 1% while like-for like revenue was up 2%.

During the period we closed our Wallsend club which had been loss-making. We currently operate 99 clubs across Great Britain.

Top Rank España

	Weeks 27 to 42		Weeks 1 to 42	
	Like-for-like	Total	Like-for-like	Total
Customer visits	(11)%	(11)%	(11)%	(11)%
Spend per visit	(9)%	(9)%	(9)%	(9)%
Revenue	(19)%	(19)%	(19)%	(19)%

Difficult economic conditions and the effect of the full smoking ban continued to affect trading in our Spanish business, Top Rank España. Revenue in the 16-week period was 19% down on the same period last year in Sterling (a 20% decline in euro). Customer visits were down by 11% and spend per visit was down 9%.

For the 42 weeks, like-for-like and total revenue was down by 19%.

While management's focus is on stabilisation, the Spanish gaming market offers long-term opportunities for Rank. During the period, we re-launched one of our clubs in Madrid as part of a wider programme of modernisation.

Rank Interactive

	Weeks 27 to 42		Weeks 1 to 42	
	Like-for-like	Total	Like-for-like	Total
Games	31%	31%	27%	27%
Sports	(27)%	(27)%	(2)%	(2)%
Revenue	21%	21%	23%	23%

Rank Interactive grew revenue by 21% in the 16-week period due to the continued strong performance of Meccabingo.com.

For the 42 week period, revenue rose by 23% as a result of continued investment in the Group's brands. The business has achieved particularly strong growth in mobile gaming with revenues nearly trebling compared with the same period last year. Mobile gaming now accounts for 6% of Rank Interactive's revenue.

VAT refunds and financial position

Since the start of the year, Rank has received more than £160m in VAT refunds and associated interest. As a result, at the end of June 2011 Rank had net cash of £37.2m.

In total (since 2008), the Group has received more than £280m in overpaid VAT and associated interest, following successful litigation at both the First Tier VAT Tribunal and the High Court. Her Majesty's Revenue & Customs has lodged an appeal against these rulings. The Court of Justice of the European Union ('ECJ') has been referred a series of questions on this matter. A ruling from the ECJ is now expected on Thursday, 10 November 2011.

In addition, Rank has disclosed that it has submitted further claims for at least £275m. The Group expects that these claims will be resolved over the course of the next two to three years.

Rank is in the final stages of agreeing new banking facilities as the current facilities expire in April 2012. The new facilities will have sufficient flexibility regardless of the outcome of the ECJ ruling.

Accounting Reference Date Change

In accordance with Listing Rule 9.6.20, Rank has changed its accounting reference date from 31 December to 30 June with immediate effect. This brings Rank's financial year end in line with its majority shareholder, Guoco Group Limited.

As a result of the change of accounting reference date, Rank's reporting calendar will be as follows:

- unaudited second interim results for the six- and 12-month periods to 31 December 2011 will be published no later than 29 February 2012; and
- audited financial statements for the 18-month period ending 30 June 2012 will be published no later than 31 October 2012.

Thereafter, interim and annual reports will be published each year, for the six months to 31 December and 12 months to 30 June.

Rank will realign the timing of its interim and final dividends accordingly, with the next interim dividend being announced on publication of Rank's second interim results for the six months to 31 December 2011.

Outlook

The Board is encouraged by the increasing popularity of the Group's UK brands, with operational improvements driving growth in customers across Grosvenor Casinos and Mecca Bingo. While the outlook for the UK consumer in 2012 seems likely to be more challenging, Rank is in a strong financial position, possesses market-leading brands with multi-channel distribution and has a clear strategy for sustained long-term growth.

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Conference call

A conference call for investors and analysts will be held at 8.30am (London time) on Friday, 21 October 2011. Dial-in information follows below:

UK (free call): 0800 694 0257
USA (free call): 1866 966 9439
International: +44 (0) 1452 555 566

Passcode: 16907809

A replay of the conference call will shortly be available from the Rank Group's website (www.rank.com).

Contacts:**The Rank Group Plc investor relations**

Philip Munn 01628 504149

FTI Consulting

Marc Cohen/Rose Oddy 020 7831 3113

Notes to editors:**1. Analysts' forecasts**

Consensus forecasts compiled and published by Rank (at www.rank.com/investors) show a range of analyst estimates for FY11 adjusted earnings per share of 10.3p to 11.1p, with a mean of 10.8p.

2. About The Rank Group Plc

The Rank Group Plc is a leading European gaming and betting business, based in the UK and listed on the London Stock Exchange (RNK.L). Its principal activities are the operation of bingo clubs and casinos with complementary interactive gaming and bookmaking services.

Rank's operations comprise:

- **Grosvenor Casinos** – 35 casinos in Great Britain; two casinos in Belgium
- **Mecca Bingo** – 99 bingo clubs in Great Britain
- **Top Rank Espana** – 11 bingo clubs in Spain
- **Rank Interactive** – online and mobile gaming and betting. Branded websites include bluesq.com, meccabingo.com and gcasino.com.

Rank's businesses receive more than 22 million customer visits per year and the Group employs more than 8,900 team members.

For more information about The Rank Group, visit www.rank.com.