

14 April 2011

**The Rank Group Plc trading update for 15 weeks to 10 April 2011**  
(all comparisons are with the equivalent periods in 2010)

The Rank Group Plc ('Rank' or the 'Group') announces 2% growth in revenue for the first 15 weeks of the financial year, largely driven by increases in customers and customer visits.

Both Rank Interactive and Mecca Bingo achieved strong growth in revenue but the performance of Grosvenor Casinos was constrained by an unusually low win margin in its London venues at the start of the year. Trading at Top Rank Espana was negatively affected by the introduction of a full smoking ban on 2 January 2011.

<b>Group and segmental revenue to 10 April 2011*</b>		
	<b>Like-for-like**</b>	<b>Total</b>
Grosvenor Casinos	0%	0%
Mecca Bingo	4%	4%
Top Rank Espana***	(20)%	(20)%
Rank Interactive	23%	23%
<b>Group</b>	<b>2%</b>	<b>2%</b>

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

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

\*\*\* Top Rank Espana performance not adjusted for currency movement. In euros, revenue fell by 18%.

## Grosvenor Casinos

	<b>Like-for-like</b>	<b>Total</b>
Customer visits	12%	13%
Spend per visit	(11)%	(11)%
Revenue	0%	0%

Revenue from Grosvenor Casinos was in line with the same period in 2010, despite strong growth in customer visits. On a like-for-like basis, customer visits rose by 12% but spend per visit decreased by 11%, due largely to a low win margin in our London casinos.

We have continued to invest in the enhancement and expansion of our casinos estate. Later this month, we will relaunch our Plymouth casino following its conversion to the G Casino format. We remain on track to achieve our target of at least 20 G Casinos by the end of 2012.

## Mecca Bingo

	<b>Like-for-like</b>	<b>Total</b>
Customer visits	0%	0%
Spend per visit	4%	4%
Revenue	4%	4%

Mecca Bingo revenue rose by 4% in the 15-week period as a result of growth in spend per visit. Customer visits were in line with the same period in 2010 while spend per visit increased by 4% (despite the negative effect of the rise in VAT). The business achieved particularly strong growth in sales of food and drink, reflecting service improvements and increased management focus on this area.

We have agreed the sale of our Southampton club premises for £600,000 (subject to planning permissions) and will close the club in May.

### **Top Rank Espana**

	<b>Like-for-like</b>	<b>Total</b>
Customer visits	(9)%	(9)%
Spend per visit	(12)%	(12)%
Revenue	(20)%	(20)%

Revenue from Top Rank Espana declined by 20% in Sterling and 18% in euro terms, as customers reacted negatively to the full smoking ban. Customer visits declined by 9% whilst spend per visit was down 12%.

We are taking steps to mitigate the impact of the ban, focusing on improving the experience for all of our customers and keeping tight control over costs.

### **Rank Interactive**

	<b>Like-for-like</b>	<b>Total</b>
Games	20%	20%
Sports	40%	40%
Revenue	23%	23%

Rank Interactive achieved a 23% increase in revenue due to strong growth from Bluesq.com and Meccabingo.com. We are particularly encouraged by the growth in the number of customers enjoying our brands via online and mobile channels.

### **Financial position**

On 22 March 2011, Rank announced the receipt of £74.8m from HM Revenue & Customs relating to VAT overpaid on games of bingo. Since then the Group has received an additional £79.5m in associated interest (in line with the guidance published on 22 March 2011).

The European Court of Justice is to rule on these and other claims submitted by Rank with final resolution expected during 2012.

### **Legislative and regulatory changes**

In Britain, the Department for Culture, Media and Sport has proposed measures to enhance the quality and range of amusement machines available in licensed bingo clubs. The consultation process for the proposals concluded on 25 January 2011 and we await a further announcement. In line with Group policy, Rank has published its response to the consultation.

In Belgium, the government has announced that a full ban on smoking in enclosed public places (including casinos) will be implemented on 1 July 2011. We are in the process of implementing a plan to mitigate the effect of the ban on our two Belgian casinos.

**Outlook**

Rank has made a positive start to the year with growth in customers and customer visits and a significant strengthening of the balance sheet. Despite the challenges facing our businesses, the Group remains confident in its prospects for the year and the achievement of its longer-term ambitions.

**Forthcoming announcements**

Rank will announce its half year results on 28 July 2011.

**ends**

**Conference call**

A conference call for investors and analysts will be held at 8.00am (London time) on Thursday, 14 April, 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: 57946203

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

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## Notes to editors:

### 1. Analysts' forecasts

Consensus forecasts compiled and published by Rank (at [www.rank.com/investors](http://www.rank.com/investors)) show a range of analyst estimates for FY11 adjusted earnings per share of 10.3p to 11.2p, with a mean of 10.9p.

### 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** – 103 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](http://bluesq.com), [meccabingo.com](http://meccabingo.com) and [gcasino.com](http://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](http://www.rank.com).

### 3. G Casino

G Casino is a modern gaming-based leisure venue. Launched in Manchester in June 2006, G Casino was extended to 14 locations in February with the conversion of G Walsall. G Casino is differentiated from most traditional casinos through its broad range of gaming and non-gaming activities, with large poker rooms, sports lounges, restaurants and stylish bars as well as traditional and electronic casino games.

G Casino attracts significantly higher levels of customer visits and has a higher proportion of female customers than traditional casinos.