

23 June 2011

The Rank Group Plc trading update for 25 weeks to 19 June 2011
(all comparisons are with the equivalent periods in 2010)

The Rank Group Plc ('Rank' or the 'Group') announces strong revenue growth for the ten weeks to 19 June 2011, with positive performances from its UK brands.

The Group achieved a 7% increase in revenue in the ten-week period (7% on a like-for-like basis). For the year to week 25, total Group revenue rose by 4% and like-for-like revenue was also up 4%.

Group and segmental revenue to 19 June 2011*				
	Weeks 16 to 25		Weeks 1 to 25	
	Like-for-like**	Total	Like-for-like**	Total
Grosvenor Casinos	13%	12%	5%	5%
Mecca Bingo	2%	1%	3%	3%
Top Rank España***	(19)%	(19)%	(19)%	(19)%
Rank Interactive	28%	28%	26%	26%
Group	7%	7%	4%	4%

* 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 in the ten-week period fell by 22%.

Grosvenor Casinos

	Weeks 16 to 25		Weeks 1 to 25	
	Like-for-like	Total	Like-for-like	Total
Customer visits	12%	12%	12%	12%
Spend per visit	1%	0%	(7)%	(7)%
Revenue	13%	12%	5%	5%

Grosvenor Casinos grew like-for-like revenue by 13% in the ten-week period, with customer visits up 12% and spend per visit up 1%. Total revenue increased by 12% as a result of strong trading in both London and the Provinces.

For the year to 19 June total and like-for-like revenue was up by 5%.

During the period we set out our plans to expand and enhance the Grosvenor Casinos estate, growing from 35 to 45 UK venues by 2015. This programme of capital investment will comprise a doubling in the number of our successful 'G Casino' format venues from 15 to 30, through a combination of new openings, relocations and conversions.

Mecca Bingo

	Weeks 16 to 25		Weeks 1 to 25	
	Like-for-like	Total	Like-for-like	Total
Customer visits	(1)%	(2)%	0%	(1)%
Spend per visit	3%	3%	3%	3%
Revenue	2%	1%	3%	3%

Mecca Bingo grew like-for-like revenue by 2% in the ten-week period with a 3% increase in spend per visit offsetting a 1% decline in customer visits. Total revenue growth was slightly lower as a result of the closure of a small number of underperforming clubs.

For the year to 19 June, revenue and like-for-like revenue grew by 3%.

Mecca has continued to invest in the quality of its venues, undertaking 'Full House Local' upgrades at six of its clubs and completing the roll-out of its 'Mecca Max' mobile gaming terminals to the entire estate during the first half of the year.

The business has been evaluating results from its six Full House Destination clubs, looking in particular at reducing the level of capital investment required for conversions. During the second half of the year, Mecca will relaunch its club at Wood Green in London following a £0.6m conversion to the Full House Destination format (or around 40% of the average cost of previous conversions).

Top Rank España

	Weeks 16 to 25		Weeks 1 to 25	
	Like-for-like	Total	Like-for-like	Total
Customer visits	(13)%	(13)%	(10)%	(10)%
Spend per visit	(6)%	(6)%	(10)%	(10)%
Revenue	(19)%	(19)%	(19)%	(19)%

Revenue from Top Rank España in the ten-week period declined by 19% in Sterling and 22% in euro terms, as customers reacted negatively to the full smoking ban. Customer visits were down by 13% and spend per visit was down 6%.

For the year to 19 June, revenue was down by 19%.

Management is focused on improving customer satisfaction and helping customers to adjust to the smoking ban. In the majority of its locations, Top Rank has made gains in market share.

Despite the difficult trading conditions, we continue to believe that Spain is an attractive market for Rank. During the second half of the year we will launch enracha - a new gaming-based entertainment brand for the Spanish market - via the conversion of one of our Top Rank clubs in Madrid and the development of the online gaming website, enracha.com. We will seek to acquire an online gaming licence for Spain once they become available.

Rank Interactive

	Weeks 16 to 25		Weeks 1 to 25	
	Like-for-like	Total	Like-for-like	Total
Games	31%	31%	25%	25%
Sports	7%	7%	33%	33%
Revenue	28%	28%	26%	26%

Rank Interactive grew revenue by 28% in the ten-week period with a very strong performance from meccabingo.com.

For the year to 19 June, Rank Interactive has grown revenue by 26% as a result of cross-selling from Rank's land-based venues and continued investment in the Group's brands. The business has achieved particularly strong growth in mobile gaming with more than 70,000 customers having downloaded the Mecca Bingo and Blue Square iPhone apps since their launch in January 2011.

VAT refunds and financial position

Since the start of the year, Rank has received more than £160m in VAT refunds and associated interest and is now in a net cash position.

In total (since 2008), the Group has received more than £275m 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 ('HMRC') has lodged a final appeal against these rulings with the European Court of Justice. HMRC's appeal will be heard later this month with a ruling anticipated by the end of 2011.

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

Rank has commenced discussions to refinance its banking facilities, which expire in April 2012.

Legislative and regulatory changes

The Department for Culture, Media and Sport ('DCMS') has confirmed the introduction of measures to enhance the quality and range of amusement machines available in licensed bingo clubs. If implemented, we expect that these changes will enable Mecca Bingo to generate at least £1m a year in additional operating profit.

Rank notes the complaint to the European Commission by Danish tax-payers, asserting that the provision of reduced rates of duty for online gambling (compared with gambling in land-based venues) constitutes illegal state aid. In the past, Rank has called on Her Majesty's Treasury to harmonise tax rates for all betting and gaming activities.

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. The Board remains confident in the immediate prospects for the Group and the achievement of its longer-term ambitions.

Forthcoming announcements

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

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Conference call

A conference call for investors and analysts will be held at 8.30am (London time) on Thursday, 23 June, 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: 77898593

A replay of the conference call will shortly be available from the Rank Group's website (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) show a range of analyst estimates for FY11 adjusted earnings per share of 10.3p to 11.4p, with a mean of 11.0p.

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** – 100 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, enracha.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.

3. G Casino

G Casino is a modern gaming-based leisure venue format. Launched in Manchester in June 2006, G Casino was extended to 15 locations with the conversion of G Plymouth. 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.

4. Full House Local

'Full House Local' is the project name for Mecca Bingo's estate modernisation programme. Full House Local conversions supplement the usual maintenance programme with staff training, new uniforms, upgrades to the bingo product and the conversion of the food and drink offering to a cook-to-order system. Mecca has completed 19 conversions since the programme began at an average cost of £150,000.

5. Full House Destination

'Full House Destination' is the project name for Mecca Bingo's new concept club. The first Full House Destination club was opened in Beeston, Nottingham in May 2009. The club is branded as 'Mecca – so much more' and while it retains bingo as a core product it also features enhanced bar and restaurant area, an electronic bingo lounge and a broad range of amusement machines.