



NEWS RELEASE

10 May 2012

The Rank Group Plc interim management statement 18 and 45 weeks to 6 May 2012

(all comparisons are with the equivalent periods in 2010 and 2011)

The Rank Group Plc ('Rank' or the 'Group') today announces 5% like-for-like revenue growth for the 18 weeks to 6 May 2012, total revenue was up 4%. Grosvenor Casinos and Rank Interactive have achieved the Group's best results in the period. For the 45 week period like-for-like revenue was up by 3% and total revenue was up 4%.

Commenting on the announcement, chairman of The Rank Group Plc Ian Burke said:

"I am pleased that the Group continues to achieve solid revenue growth despite a challenging trading environment. In the period, the Group's UK businesses have continued to invest in programmes that will broaden the appeal of our brands. The government has recently announced its intention to introduce a number of reforms in gaming taxation. We remain convinced that a fair tax regime which supports UK jobs and stimulates local economies can only be achieved by introducing a single rate of tax for all products governed by the Gambling Act."

Group and segmental revenue for 18 and 45 weeks to 6 May 2012*				
	Weeks 28 to 45		Weeks 1 to 45	
	Like-for-like**	Total	Like-for-like**	Total
Grosvenor Casinos	6%	8%	4%	5%
Mecca Bingo	0%	(1)%	2%	0%
Rank Interactive	17%	17%	20%	20%
Top Rank España***	(2)%	(2)%	(14)%	(14)%
Group	5%	4%	3%	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 España performance not adjusted for currency movement. In euros, revenue rose by 2% for weeks 28 to 45 but fell by 13% in weeks 1 to 45.

On 21 October 2011, Rank announced that it was changing its accounting reference date to 30 June to align with its majority shareholder Guoco Group Limited and thereby avoid unnecessary reporting costs. As a result, this announcement reports on the period from July 2011.

Grosvenor Casinos

	Weeks 28 to 45		Weeks 1 to 45	
	Like-for-like	Total	Like-for-like	Total
Customer visits	0%	2%	4%	6%
Spend per visit	7%	6%	0%	(1)%
Revenue	6%	8%	4%	5%

Grosvenor Casinos grew total revenue by 8% in the 18 week period with a rise in spend per visit, up 6% and customer visits, up 2%. Like-for-like revenue rose 6% with spend per visit up 7% and customer visits in line with last year. Like-for-like customer visits were up in Grosvenor's UK casinos. However, this was offset by a reduction in customer visits to our Belgian casinos, which continue to be affected by last summer's extension to the smoking ban.

For the 45 week period total revenue was up 5% and like-for-like revenue was up by 4%.

Grosvenor has continued to invest in the quality of its casinos estate. Last week Grosvenor opened a new casino in the G casino format in New Brighton, on the Wirral. Grosvenor now operates 19 casinos in the G casino format and we have plans to open three more over the next 18 months.

Mecca Bingo

	Weeks 28 to 45		Weeks 1 to 45	
	Like-for-like	Total	Like-for-like	Total
Customer visits	(2)%	(4)%	0%	(2)%
Spend per visit	2%	2%	2%	2%
Revenue	0%	(1)%	2%	0%

Mecca Bingo's like-for-like revenue during the 18 week period was in line with last year as increasing spend per visit was offset by a reduction in customer visits. The investment in Mecca's food and beverage offering meant that this delivered Mecca's higher revenue growth.

For the 45 weeks, like-for-like revenue grew 2%, total revenue was in line with the equivalent period last year.

During the period we relaunched our Wood Green club in the 'full house destination' format. At £0.6m, less than half the cost of previous 'full house destination' conversions, the early signs are that this club is achieving a rise in customer visits and an improvement in customer satisfaction scores.

Rank Interactive

	Weeks 28 to 45	Weeks 1 to 45
Sports	(7)%	(7)%
Games	21%	25%
Revenue	17%	20%

Rank Interactive achieved a 17% increase in revenue during the 18 week period with another good performance from meccabingo.com, up 19%. Grosvenorcasinos.com also enjoyed strong growth, up 48%, albeit from a low base. While the Blue Square branded

sportsbook attracted more customers than last year, these customers have staked less with the result that revenue is down 7% on the same 18 week period last year.

For the 45 weeks, like-for-like and total revenue grew 20%.

A large part of Rank Interactive's progress over the last 18 weeks is attributable to the progress we have made in improving our brands' mobile channel. In response to the increasing importance of this channel, Rank Interactive continues to develop its mobile gaming products. During the period the Group has released an upgraded bingo application under the Mecca brand which is optimised for the ipad. In addition, we have released 15 new online games across our brand portfolio.

Top Rank España

	Weeks 28 to 45		Weeks 1 to 45	
	Like-for-like	Total	Like-for-like	Total
Customer visits	(2)%	(2)%	(8)%	(8)%
Spend per visit	0%	0%	(6)%	(6)%
Revenue	(2)%	(2)%	(14)%	(14)%

Top Rank España's revenue decreased 2% in the 18 week period in sterling. In euro, revenue increased 2%. Continuing weakness in the Spanish economy means that trading conditions for Top Rank España remain very difficult. Despite this, recent performance suggests that the business has now stabilised with particular improvement as a result of upgrades to its amusement machines.

For the 45 weeks, revenue was reduced by 14%. In euro revenue decreased 13%.

VAT Refunds

In May 2010, Rank received £30.8m from HM Revenue & Customs ('HMRC') relating to its claim for overpaid VAT on amusement machine income from 2002 to 2005. In November 2011, the European Court of Justice ('ECJ') released its decision on Rank's bingo and amusement machines case. The ECJ's decision prompted HMRC to concede the bingo case but the part of the decision relating to amusement machines was not conclusive. Therefore, this part of the appeal was referred back to the Upper Tribunal on 14 March 2012. The court asked for further evidence on the points of dispute and a further hearing has been arranged to take place on 14 June 2012. Rank expects a decision on the case later this year.

Regulation and Taxation

In Budget 2012 the government announced three changes to the gaming tax regime which will affect Rank. First, the standard rate of Machines Games Duty, which will come into effect on 1 February 2013, was confirmed as 20% (with a reduced rate of 5% for low stake and prize machines). Second, the casino gaming duty rate was adjusted for inflation.

Taken together these changes have no material effect on Rank's operating profit.

Budget 2012 also included confirmation of the government's intended changes to the way online gaming companies are taxed. At present, online gaming companies are only subject to UK duty if they are established in the UK. Following the announcement of a secondary licensing regime for offshore operators by the Department of Culture, Media and Sport, HM Treasury now intends to tax betting and gaming products by reference to their place of consumption. The government currently expects that the changes will take effect from 1 December 2014 with a proposed rate of 15%. However, both the date and

rate of the duty are subject to review. Rank Interactive, which operates from Alderney, will be brought into the UK tax regime should these changes be implemented.

For more details of Rank's view on the reform of the UK gaming taxation regime, including our calls for a single rate of tax for all products governed by the Gambling Act, please follow the link below.

http://rank.com/downloads/responsible_taxation.pdf

Outlook

The Board is encouraged that its UK businesses have continued to make progress and expects the Group's full year performance will be in line with our expectations. While the economic outlook in the UK and Spain seems likely to remain 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.

Forthcoming announcements

Rank will announce its preliminary results for the 18 month period ending 30 June 2012 on 17 August 2012.

ends

Conference call

A conference call for investors and analysts will be held at 8.30am (London time) on Thursday, 10 May, 2012. Dial-in information follows below:

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

Passcode: 76968152

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 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 the 12 months ending 30 June 2012 for adjusted earnings per share of 11.0p to 11.4p, with a mean of 11.2p. Analyst estimates for the 12 month period ending 30 June 2013 have an adjusted earnings per share range from 11.5p to 12.6p, with a mean of 12.2p.

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** – 97 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.