

*Notification of online publication  
of notice of 2016 Annual General  
Meeting and Annual Report and  
Financial Statements 2016*

# DELIVERING LONG-TERM SUSTAINABLE GROWTH



We are writing to notify you that our notice of 2016 annual general meeting and our 2016 annual report and financial statements are now available online.



 For more information visit  
[rank.com](http://rank.com)

## Dear shareholder

Rank's strategy is to achieve long-term sustainable growth for the Group through the following five strategic pillars:

1. Create a compelling multi-channel offer;
2. Build a strong digital capability;
3. Continue to develop our venues;
4. Invest in our brands and marketing; and
5. Use technology to drive operating efficiency and improve our customer experience.

The Group continues to make good progress towards its strategic objectives with 2015/16 being a year of investment for future growth. More detail of progress made in 2015/16 is outlined on pages 15 to 25 of the 2016 annual report and financial statements.

## Financial performance

The Group had a solid year with Group revenue growth of 2%. Group operating profit grew by 4%, after adjusting by £4.8m to reflect the additional five months of Remote Gaming Duty (RGD) incurred in the year.

Our digital brands continued to grow revenue strongly, up 11%; however our venues suffered from a particularly weak Q4 resulting in disappointing revenue growth of 1%.

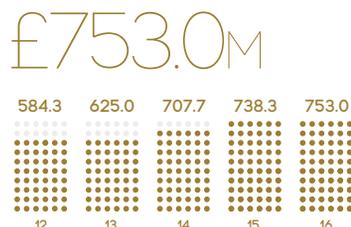
Adjusted earnings per share was up 5% in the year to 15.40 pence.

**Ian Burke**  
Chairman  
22 August 2016

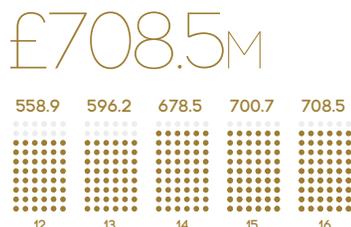
# A YEAR OF STRONG RESULTS

The charts illustrate the Group's performance for the 12 month period to 30 June over the last five years.

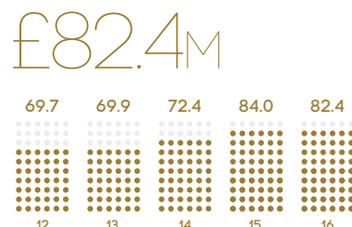
REVENUE<sup>1</sup>



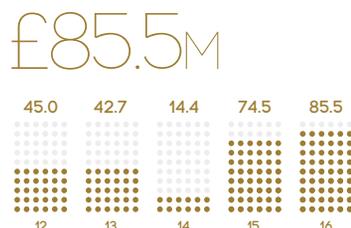
STATUTORY REVENUE



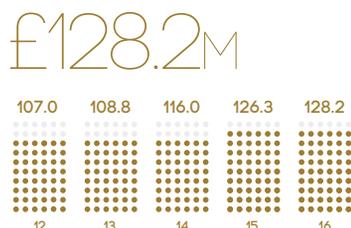
OPERATING PROFIT<sup>2</sup>



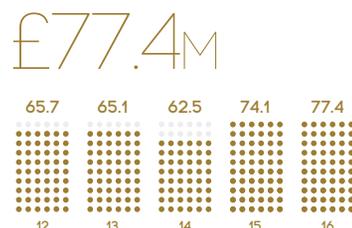
PROFIT BEFORE TAX AFTER EXCEPTIONALS



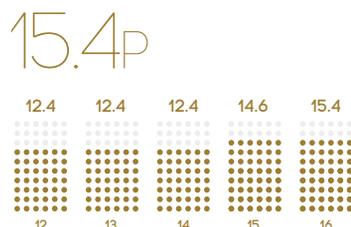
EBITDA<sup>3</sup>



ADJUSTED PROFIT BEFORE TAX<sup>4</sup>



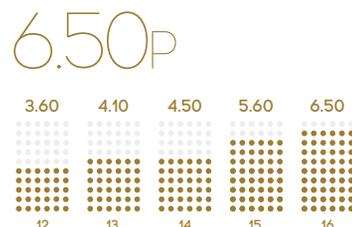
ADJUSTED EARNINGS PER SHARE<sup>5</sup>



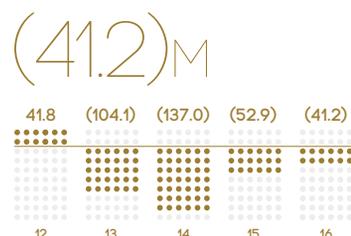
BASIC EARNINGS PER SHARE



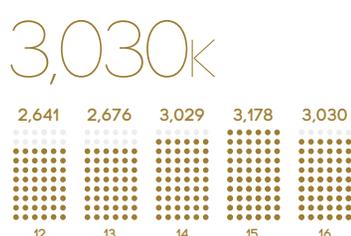
DIVIDEND PER SHARE



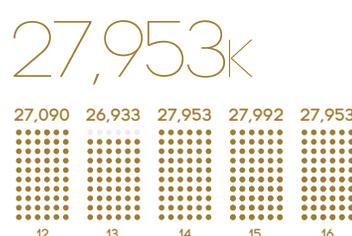
NET (DEBT)/CASH



CUSTOMERS<sup>6,7</sup>



CUSTOMER VISITS<sup>6</sup>



1 Before adjustments for customer incentives.

2 Before exceptionals.

3 Group EBITDA is Group operating profit before exceptional items, depreciation and amortisation. EBITDA is reconciled in note 19 of the annual report and financial statements.

4 Adjusted profit before taxation is calculated by adjusting profit from continuing operations before taxation to exclude exceptional items, the unwinding of the discount on disposal provisions and other financial gains and losses.

5 Adjusted earnings per share is calculated by adjusting profit attributable to equity shareholders to exclude discontinued operations, exceptional items, other financial gains or losses, unwinding of the discount in disposal provisions and the related tax effects.

6 Unaudited.

7 Following the introduction of 'full' and 'partial' open door policies in Grosvenor Casinos' venues, the total Group customer numbers only include registered venues' customer numbers for Grosvenor Casinos.

Our results make reference to 'adjusted' results alongside our statutory results, which we believe will be more useful to readers since we manage our business using adjusted measures. The directors believe that exceptional items and adjustments impair visibility of the underlying performance of the Group's businesses and, accordingly, these are excluded from our non-GAAP measures of Revenue, Profit Before Tax, EBITDA, Operating Profit and Adjusted EPS, which we use in internal management reports.

# DELIVERING THROUGH OUR BRANDS

Rank is a gaming focused leisure and entertainment group serving over three million customers.



## Grosvenor Casinos

UK's largest multi-channel casino operator. The brand offers a range of popular casino table games, including roulette, blackjack, baccarat and poker as well as electric roulette and slot machine games. The brand's digital channel offers many popular games, including its very popular live casino.

**Venues:** Largest operator (by venue) in Great Britain; 56 licensed casinos in Great Britain and two in Belgium.

**Digital:** Rapidly growing business which continues to gain scale.

2015/16 summary:

- ~ Relaunch of Luton casino under the 2005 Act casino licence and refurbishment of The Park Tower casino in London
- ~ Closure of one casino as part of estate rationalisation
- ~ £10.8m investment into electronic roulette and slot gaming machines
- ~ Venues operating profit impacted by higher operating costs
- ~ Strong digital growth, revenue up 37%

	2015/16	2014/15
Contribution to Group revenue	438.6m	423.4m
Operating profit	66.2m	66.5m
Customers	1,611,000	1,817,000

## Mecca

Rank's multi-channel community based gaming brand for the British market. The brand's digital channel offers a selection of games from bingo to a wide range of slots games. The venues also offer great-value food, drink and live entertainment.

**Venues:** Second largest operator (by venue) in Great Britain; 87 licensed bingo venues.

**Digital:** One of the leading online bingo operators in the UK.

2015/16 summary:

- ~ Strong growth in venues operating profit, up 14%
- ~ Closure of three venues in the year, of which two were under performing
- ~ Disappointing digital performance driven by highly competitive market and platform migration issues
- ~ Continued reduction in the rate of decline of retail customer visits, down 1% on a like-for-like basis.
- ~ Recent investment in server based games and Mecca Max units driven revenue growth

	2015/16	2014/15
Contribution to Group revenue	287.7m	289.6m
Operating profit	41.5m	43.0m
Customers	1,187,000	1,141,000

## Enracha

Rank's community-based gaming business for the Spanish market. Nine venues in Catalonia, Madrid, Andalucía and Galicia, offering a range of popular community games like bingo as well as electronic roulette and slot machine games, sports betting, great value food, drink and live entertainment.

**Venues:** Fourth largest bingo operator in Spain; nine licensed bingo venues.

**Digital:** In June 2016 Enracha soft-launched its digital business, enracha.es, with a full launch planned for H1 2016/17.

2015/16 summary:

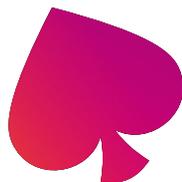
- ~ Continental freehold in Barcelona acquired for £2.4m
- ~ Growth across both revenue and operating profit
- ~ Soft launch of enracha.es in June 2016

	2015/16	2014/15
Contribution to Group revenue	26.7m	25.3m
Operating profit	3.6m	2.6m
Customers	274,000	269,000

Visit us online



The Rank Group website provides news and details of the Group's activities, as well as useful links. The investor section contains a variety of information including the Group's latest results and current and historic share prices.



We have a shareholder 'frequently asked questions' section on our website which provides answers to many questions that shareholders have:

[www.rank.com/en/investors/shareholder-centre/faqs.html](http://www.rank.com/en/investors/shareholder-centre/faqs.html)

## Paper copies

If you would like the notice of 2016 annual general meeting and/or the 2016 annual report and financial statements sent to you in hard copy form, please write to us at our registered office address (quoting 'hard copy shareholder information request'): Company Secretary, The Rank Group Plc, Statesman House, Stafferton Way, Maidenhead SL6 1AY and specify which document you require a hard copy of.

## Payment of dividends

The Company is no longer operating a dividend re-investment plan. Shareholders may find it more convenient to make arrangements to have dividends paid directly to their bank account. The advantages of this are that the dividend is credited to a shareholder's bank account on the payment date, there is no need to present cheques for payment and there is no risk of cheques being lost in the post.

To set up a dividend mandate or to change an existing mandate please contact Equiniti Limited, our registrar, whose contact details are detailed further on this page. Alternatively, shareholders who use Equiniti's Shareview can log on and follow the online instructions.

[www.shareview.co.uk](http://www.shareview.co.uk)

## Shareholder security

We are aware that some of our shareholders have received unsolicited telephone calls concerning their Rank shares. These communications tend to be from overseas-based 'brokers' who offer a premium price for your Rank shares but ask you to make an upfront payment, typically in the form of an insurance bond. We recommend that before paying any money you:

- ~ obtain the name of the person and firm contacting you;
- ~ check the FCA Register at [www.fca.org.uk/register](http://www.fca.org.uk/register);
- ~ use the details on the FCA Register to contact the firm;
- ~ call the FCA Consumer Helpline on 0800 111 6768 if there are no contact details on the FCA Register or you are told they are out of date; and
- ~ search the FCA's list of unauthorised firms and individuals to avoid doing business with [www.fca.org.uk/consumers/protect-yourself/unauthorised-firms/unauthorised-firms-to-avoid](http://www.fca.org.uk/consumers/protect-yourself/unauthorised-firms/unauthorised-firms-to-avoid)

If you use an unauthorised firm to buy or sell shares or other investments, you will not have access to the Financial Ombudsman Service or Financial Services Compensation Scheme (FSCS) if things go wrong.

Below, please find the link to the FCA's website which gives information on scams and swindles which shareholders may find helpful: [www.fca.org.uk/consumers/scams](http://www.fca.org.uk/consumers/scams)

## Registrar

All administrative enquiries relating to shares should, in the first instance, be directed to the Company's registrar (quoting reference number 1235), Equiniti, Aspect House, Spencer Road, Lancing BN99 6DA Tel: from the UK 0371 384 2098 and from outside the UK +44 121 415 7047. There is a text phone available on 0371 384 2255 for shareholders with hearing difficulties.

For any other information please contact: Frances Bingham, company secretary, or Sarah Powell, director of treasury and corporate communications at The Rank Group Plc.