News Release

12 October 2007

Rank Group Plc trading statement
40 weeks to 7 October 2007

Rank Group announces 2% like-for-like growth in continuing group revenues for the 40 weeks to 7 October 2007. Total sales for the continuing group are 1% below the comparable period in 2006.

However, after an encouraging start to the second half of the year, the group's UK retail businesses, Mecca Bingo and Grosvenor Casinos, have experienced a significant deterioration in revenue in recent weeks. This is largely attributable to a combination of the loss of Section 21 gaming terminals (as required by the Gambling Act 2005 from 1 September 2007) and the bans on smoking in enclosed public places, which have been in effect across the whole of the UK since 1 July 2007.

While the recent trading difficulties affecting our UK retail businesses are worse than we had anticipated, we understand that they are shared by the broader UK bingo clubs and casinos markets and are not unique to Rank.

Our interactive business, Blue Square continued to deliver impressive growth while our Spanish bingo clubs business, Top Rank Espana performed well.

Segmental and group revenue for 40 weeks to 7 October 2007		
	Like-for-like revenue (adjusted for club openings, closures & relocations)	**Total revenue**
Mecca Bingo	(2)%	(5)%
Top Rank Espana	8%	8%
Grosvenor Casinos	0%	(3)%
Blue Square	38%	38%
Group	2%	(1)%

Mecca Bingo
Having delivered an encouraging start to the second half of the year, our UK bingo clubs were subsequently impacted by the loss of the highly popular Section 21 gaming terminals. This compounded the negative effects of bans on smoking in enclosed public spaces, leading to a significant deterioration in revenue from 1 September 2007.

In the five weeks following the removal of our Section 21 terminals, Mecca Bingo like-for-like revenue declined by 19% across the UK with admissions down by 13% and spend per head down by 7%. Revenue in England and Wales fell by 22%, while in Scotland (where the smoking ban was introduced in March 2006) it was 6% lower than in the comparable period in 2006.

Our focus remains the protection of revenue in the light of recent changes in legislation, adapting our clubs, our products and our service to improve the customer experience.

We have now gained licensing approval for outside gaming areas at 28 of our clubs and 14 of these are now in operation. In addition we have extended handheld electronic bingo to 78 of our clubs. Notwithstanding the recent negative trading, both of these initiatives have made valuable contributions to their club revenues. We continue to explore opportunities to develop improved gaming and non-gaming products in our bingo clubs.

Top Rank Espana
Revenue from our Spanish bingo clubs business, Top Rank Espana, had grown by 8% in the 40 week period. Spend per head was ahead by 10%, off-setting a 1% decline in admissions.

Grosvenor Casinos
In the 40 week period since the start of the financial year like-for-like revenue has been in line with the comparable period last year, with a marginal increase in spend per head offsetting a 1% decline in admissions.

During the last five weeks, revenue was down 9% with admissions 1% lower and spend per head down by 8%. The fall in spend per head is attributable largely to the effects of the smoking ban on customer dwell times, which has reduced win from table and machine gaming. In addition, the requirement to remove Section 21 gaming terminals has had an impact in some casinos.

Towards the end of September 2007, we commenced our first advertising campaign for our UK casinos, targeting new customers principally through local and regional press and radio advertising.

Also in September we gained a licence to operate a casino in Edinburgh. In total we have gained ten new casino licences over the past three years, providing the group with significant opportunity to add scale and widen distribution.

Blue Square
Our interactive business, Blue Square's has maintained a strong rate of growth. For the first 40 weeks of the financial year revenue is 38% ahead of the comparable period in 2006, with an exceptionally strong performance from our gaming products. Revenue growth from our online bingo and games brand, Meccabingo.com has been particularly impressive.

Outlook
The coincidence of a number of external factors has resulted in a period of volatility and a lack of visibility unprecedented in the UK gaming industry. Should the disappointing levels of recent weeks' trading continue through to the end of the year (and given the relatively high level of fixed costs within Mecca Bingo and Grosvenor Casinos) group operating profit for the full year would be significantly lower than in 2006.

The board remains committed to its strategy of developing modern leisure-based businesses to benefit from the growing popularity of gaming activities. We will continue to take vigorous action to meet the immediate challenges facing our businesses while retaining our focus on the long term growth opportunities for Rank.