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Disposal of Pinewood Studios for £62 Million

The Rank Group Plc announces the sale of Pinewood Studios to a consortium led by Michael Grade and Ivan Dunleavy, and backed by 3i plc, for a consideration of £62 million. The consideration will be satisfied by cash of £55.5 million and an interest free loan note of £6.5 million, repayable in 2007.

Pinewood Studios, located just west of London, provides comprehensive studio facilities for producers of feature films, television programmes and commercials. For the year ended 31 December 1998 Pinewood Studios' turnover was £13.2 million and its operating profit before exceptional items was £4.4 million. Net assets, excluding inter-company debt, as at 31 December 1998 were £13.9 million.

Acquisition of DVD facility from Pioneer

The Rank Group Plc also announces that Deluxe Video Services has entered into an agreement to acquire a DVD authoring and replication facility from Pioneer Video Manufacturing, Inc., a subsidiary of Pioneer North America, for a consideration of £11 million.

A further £6 million will be invested in the facility, located in Los Angeles, to increase the present capacity, with further expansion possible to meet the increasing demand from customers. In addition, Deluxe has gained a contract for Pioneer's existing VHS and DVD volume in the USA.

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