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The Rank Group Plc announces the proposed disposal of its UK Holidays Division

The Rank Group Plc announces the proposed disposal of its UK Holidays Division for consideration of up to £700m to Bourne Leisure Group, supported by Candover and Legal & General Ventures. The consideration comprises cash on closing of £650m and a further payment of up to £50m which is contingent upon the financial performance of Butlins in the two years ending 31 December 2002.

The proposed disposal is subject only to shareholder approval which will be sought at an Extraordinary General Meeting which is expected to be held in mid October 2000.

The Group's UK Holidays Division comprises Butlins (three Family Entertainment Resorts), Haven (57 UK caravan parks and 47 owned and franchised sites in Europe), Warner (13 UK hotels and resorts) and Oasis (one UK holiday village). In the year to 31 December 1999, the UK Holidays Division recorded turnover of £419m and operating profit of £63m. The total net assets of the Division were £809m as at 31 December 1999 and proforma net assets as at 30 June 2000 were £859m.

The proposed transaction excludes Resorts USA (timeshare, real estate and campgrounds in USA), which had net assets of £49m as at 31 December 1999.

The proceeds from the disposal will be used initially to reduce Group indebtedness.

- ends -

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