News Release

27 November 2003

The Rank Group Plc

Trading Update for the 21 weeks to 22 November

Group operating profit in the 21 weeks since 30 June 2003 was in line with last year, despite the weakening US dollar, which has adversely impacted the reported results of Deluxe and Hard Rock, and additional goodwill amortisation relating to acquisitions. Overall we expect full year results to be broadly in line with expectations.

Gaming

Mecca Bingo continued to deliver solid results with steady growth in revenues and profits. The replacement of UK bingo duty on 24 October 2003 with a gross profits tax has had little noticeable impact on trading trends to-date. Our decision to remove admission charges has been welcomed by customers and should be positive for the business in the longer term.

Grosvenor Casinos experienced mixed results in the period. The London market has remained soft and this has particularly affected the three mid-market casinos where results fell short of the comparable performance in 2002. In contrast, the Clermont has again performed well and while at the Park Tower admissions and handle have grown substantially following the completion of its refurbishment in July, a lower win percentage has held back results in the period. The provincial casinos have enjoyed further growth in handle, turnover and operating profit, albeit at a lower rate than experienced in the first half of the year. The win percentage returned to a more normal level in the period and for the year to-date is 16.2%, compared to 16.6% in 2002. The relocations of Plymouth and Portsmouth have recently been completed and both casinos are seeing strong growth in admissions and handle. There are plans to relocate the Cardiff casino and to open additional casinos in Bolton and Stoke-on-Trent during 2004, bringing the total number of UK casinos to 36. The two Hard Rock casinos continue to make progress, with London performing particularly well.

Blue Square successfully launched its new games website, MeccaGames.com, in October followed by the new Aces High game in early November and has seen encouraging growth in stakes. The internet and telephone sports betting businesses have continued to perform in line with expectations.

Hard Rock

Overall, Hard Rock has seen a slight improvement in like-for-like sales trends since the half year, with more encouraging signs over the last six weeks. Food and beverage sales have continued to be positive (now up 2.6% year to-date) but low levels of international tourism continue to depress merchandise sales, leaving overall like-for-like sales for the year to-date down 3%. Since the half-year, new owned cafes have opened in Cardiff and Detroit and franchised cafes in Moscow and Nassau. Agreements have also been reached for additional franchised cafes in Oslo, Dublin and Panama.

The Group is making good progress in extending the Hard Rock brand into non-restaurant activities. As part of the joint venture with Sol Meliá, the new Hard Rock Hotel in Chicago is expected to open in the New Year and an agreement has recently been signed with Tarsadia Hotels for a further Hard Rock Hotel to be built in the fashionable Gaslight district of San Diego. This hotel, which is expected to open in early 2006, will be a franchise arrangement under which Hard Rock's financial commitment will be limited to a merchandise shop within the hotel. Elsewhere, the two hotel/casino developments on Seminole Indian reservation land in Florida are on-track to open in March and May 2004.

Deluxe

Overall, Deluxe produced a good set of results in the period with Film performing very strongly, compensating for lower than anticipated profit within Media. Deluxe Film had an outstanding trading period with film footage and profits well ahead of 2002, despite the loss of the Universal contract. Titles produced during the period included Master and Commander, Kill Bill and Elf. In Deluxe Media, manufacturing volumes were ahead of last year with DVD growth more than offsetting further decline in VHS and distribution volumes were also strong. However, incremental costs associated with the transition from VHS to DVD have continued during the peak production period for the business, undermining overall profit performance.

Financing

The Group announced on 6 November 2003 that it will redeem all of the £125,000,000 7¼ per cent. guaranteed bonds due 2008. The decision to redeem these bonds early will give rise to a one-off charge of approximately £10.7m. The Group also announced that it would redeem all of the outstanding 8.25 per cent. convertible cumulative redeemable preference shares of 20p each in the capital of the Company on 9 December 2003. Both events will significantly reduce the Group's total cost of finance from 2004 and thereby enhance earnings per share.

Gaming Deregulation

The UK Government has published the first draft of the Gambling Bill and we welcome the Secretary of State's continued commitment to deregulate the UK gaming industry. While the finer points of the draft legislation have yet to be finalised, the Group believes that it is well placed to benefit from the changes proposed and is determined to capitalise on its already strong market positions in bingo, casinos, internet gaming and sports betting.

Enquiries:

The Rank Group Plc Tel: 020 7706 1111

Ian Dyson, Finance Director

Peter Reynolds, Director of Investor Relations

Press Enquiries:

The Maitland Consultancy Tel: 020 7379 5151

Angus Maitland

Suzanne Bartch