News Release

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DISPOSAL OF DELUXE FILM

FOR US$750 MILLION (£430 MILLION)

The Rank Group Plc ("Rank" or the "Company"), the international gaming and leisure group, today announces that it has reached agreement to sell Deluxe Film, the film processing and creative services business, to DX III Holdings Corporation, a subsidiary of MacAndrews & Forbes Holdings Inc. (the "Disposal").

Highlights:

- Aggregate consideration of US$750 million (equivalent to approximately £430 million) payable in cash, on a debt and cash free basis
- The Company's capital structure and dividend policy are currently under review. The outcome of that review will accompany Rank's 2005 preliminary results announcement on 3 March 2006 at which time Rank expects to announce a return of capital to shareholders
- There is no change to the expected level of the final dividend for the financial year to 31 December 2005
- The Disposal is conditional upon obtaining clearances from US, Canadian and Spanish anti-trust authorities and the approval of Rank shareholders at an Extraordinary General Meeting to be held on Monday, 16 January 2006
- The Disposal is expected to complete in early 2006

Commenting on the Disposal, Mike Smith, Chief Executive of Rank, said:

"Today's announcement of the sale of Deluxe Film represents an important stage in the strategic evolution of The Rank Group. Rank will now concentrate on the growth opportunities in its gaming businesses and in Hard Rock. Our immediate priorities are the disposal of Deluxe Media Services and the completion of a review to establish an appropriate capital structure and dividend policy for the continuing group. We expect that this process will result in a return of capital to shareholders. We will announce the outcome of the review on 3 March 2006 when we present Rank's 2005 preliminary results."

This summary should be read in conjunction with the full text of this announcement.

A circular containing further details of the Disposal and setting out the notice of the Extraordinary General Meeting will be sent to Rank shareholders shortly.

Goldman Sachs International is acting as exclusive financial adviser to Rank on the disposal of Deluxe Film.

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