THE RANK GROUP PLC

(incorporated in England and Wales under the Companies Act 1985 and the Companies Act 1989)

(the "Company")

Notice
to the holders of the outstanding
£167,722,000
3.875 per cent. Convertible Bonds due 2009
(the "Bondholders" and the "Bonds" respectively)

SUB-DIVISION, CONSOLIDATION AND SPECIAL DIVIDEND

NOTICE IS HEREBY GIVEN to Bondholders that, further to the circular sent to the Company's shareholders dated 15 December 2006, the Conversion Price (as defined in the Terms and Conditions of the Bonds (as constituted by a trust deed dated 20 January 2004 between the Company and BNY Corporate Trustee Services Limited (formerly known as J.P. Morgan Corporate Trustee Services Limited))) will be adjusted in the manner provided for in the Terms and Conditions of the Bonds if:

1. the proposed sub-division of all the ordinary shares of 10 pence each in the capital of the Company (the "Existing Rank Shares") which at close of business on 23 March 2007 (or such other time and date as the directors of the Company may determine) are shown in the books of the Company as authorised, whether issued or unissued, into new ordinary shares of 1 pence each in the capital of the Company (the "Intermediate Shares") takes effect;

2. the proposed consolidation of all of the Intermediate Shares into new ordinary shares of $13^{8}/_{9}$ pence each in the capital of the Company (the "New Rank Shares") takes effect; and

3. the proposed special interim dividend by the Company of 65p per Existing Rank Share is made.

The Terms and Conditions of the Bonds require an adjustment to be made to the Conversion Price if and whenever:

- the Company makes an alteration to the nominal value of the ordinary shares as a result of a consolidation or sub-division, as further described in Condition 6(b)(i); and

- the Company shall pay or make any Capital Distribution (as defined in the Terms and Conditions of the Bonds and which includes a special dividend), as further described in Condition 6(b)(iii).

At the Extraordinary General Meeting of the Company held on 8 January 2007, shareholders approved the proposed sub-division and consolidation, which are

expected to become effective at 8.00 a.m. on Monday, 26 March 2007. The proposed special dividend is conditional on the sub-division and consolidation becoming effective and is intended to be paid no later than Monday, 9 April 2007.

The Conversion Price is currently £3.764. If the sub-division and consolidation become effective on Monday, 26 March 2007, and assuming no other adjustment to the Conversion Price is made prior to that date, from and including Monday, 26 March 2007 the Conversion Price will be adjusted to £5.228. If the special dividend is paid, and assuming no other adjustment to the Conversion Price is made after Monday, 26 March 2007, from the date the special dividend is paid the Conversion Price will be adjusted to £3.987.

The Rank Group Plc
22 February 2007