# News Release

22 October 2009

**Rank submits response to gaming machines tax consultation**

The Rank Group Plc ('Rank' or the 'Group') has responded to HM Treasury's consultation on proposals to replace the existing taxation regime for gaming machines with a gross profits tax ('GPT').

The submission confirms Rank's previously stated view that gaming machine GPT would need to be set at a rate of 15% in order to be neutral for the Group. This level of taxation would be consistent with the current rates of general betting duty (sports betting), remote gaming duty (internet betting and gaming), football pools duty and the starting rate of casino gaming duty.

Rank's calculations have been validated by Ernst & Young LLP.

HM Treasury has stated that it intends any changes to gaming machine taxation to be revenue neutral for the Exchequer, although this does not necessarily mean that its impact would be neutral for Rank.

The submission also confirms Rank's analysis of the effects on Group profits should GPT be set higher than 15%. Rank estimates that it would incur at least £1 million per annum in additional taxation for every percentage point over the 15% neutral rate. Within Rank, these costs would mainly be borne by Mecca Bingo.

Given the damaging effects of this year's increase in bingo duty (from 15% to 22%), Rank's submission urges the Government not to increase further the tax burden of what is already the most heavily taxed gaming sector in Britain.

Rank's response to HM Treasury's consultation on gaming machine taxation is available from http://www.rank.com/downloads/ranks_response_to_taxation_gaming.pdf.

Ends

**Contacts:**

**The Rank Group**
Dan Waugh, director of investor relations 01628 504053

**Financial Dynamics**
Ben Foster/Marc Cohen 020 7831 3113

**Notes to editors:**

**About The Rank Group Plc**

The Rank Group Plc is a leading European gaming and betting business, based in the UK and listed on the London Stock Exchange (RNK.L). Its principal activities are the operation of bingo clubs and casinos with complementary interactive gaming and bookmaking services.

Rank's operations comprise:

- **Grosvenor Casinos** – 35 casinos in Great Britain; two casinos in Belgium
- **Mecca Bingo** – 103 bingo clubs in Great Britain
- **Top Rank Espana** – 11 bingo clubs in Spain
- **Rank Interactive** – online and mobile gaming and betting. Branded websites include bluesq.com, meccabingo.com and gcasino.com.

In 2008, Rank's businesses received more than 20 million customer visits and the Group employed around 8,000 team members.

For more information about The Rank Group, visit www.rank.com.