News Release

30 October 2009

Rank makes Pre-Budget Report submission

The Rank Group Plc ('Rank') has written to HM Treasury in advance of the Government's 2009 Pre-Budget Report.

The letter, sent by Rank chief executive Ian Burke to Exchequer Secretary to the Treasury, Sarah McCarthy-Fry contains three requests:

1) that the level of bingo duty be harmonised with the 15% rate currently applied to most other forms of betting and gaming in Great Britain;

2) that revenue from player-to-player card room games in casinos be disaggregated from casino table games for the purposes of taxation;

3) that there be no further increase in the level of taxation applied to amusement machines.

A full copy of Rank's submission is available from:

http://www.rank.com/downloads/prebudget_report_submission.pdf

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Notes to editors:

The Rank Group Plc
The Rank Group Plc ('Rank') 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.

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

Gaming and betting taxation
The majority of betting and gaming activities in Great Britain are subject to a 15% rate of duty, applied to revenue. Bingo is uniquely taxed at the higher rate of 22%. The table below sets out the structure of betting and gaming taxation in Great Britain.

Activity	**Duty rate**
Bingo (in a licensed club)	22%
Bingo (online)	15%
Sports betting (in a licensed betting office)	15%
Sports betting (online)	15%
Football pools	15%
Casino games and poker (in a licensed casino)	15% to 50%
Casino games and poker (online)	15%

Amusement machines are subject to amusement machine licence duty (£nil to £2,815 per year depending upon the category of machine) and VAT at the standard rate.

For more information on gambling taxation, visit
www.rank.com/our_industry/taxation.jsp

The effect of recent tax changes on the bingo industry
During the five months following HM Treasury's Budget 2009, when the Government increased the rate of bingo duty from 15% to 22%, at least 20 licensed British bingo clubs closed – a rate of four closures per month.

This represents a worsening of a long-term trend. Since 2003, the net number of licensed bingo clubs operating in Britain has fallen from approximately 700 to fewer than 580. According to the Gambling Commission, more than 2,000 jobs have been lost as a result of these closures. The high level of taxation applied to bingo clubs over this period (substantially higher than other forms of gaming and betting) is one of the main reasons for this decline.