News Release

15th December 2009

VAT Tribunal rules in Rank's favour on amusement machines claim

The Rank Group Plc ('Rank' or the 'Group') notes the decision from the VAT and Duties Tribunal (the 'Tribunal') regarding the Group's claim for VAT overpaid on certain types of amusement machines between 2002 and 2005.

As a consequence of this ruling, Rank will request payment from Her Majesty's Revenue & Customs ('HMRC') of £25.9m of overpaid VAT. The Group expects to receive payment during the first quarter of 2010.

The decision follows an interim ruling from the Tribunal in August 2008 that the UK's VAT treatment of amusement machines contravened the European Union's principle of fiscal neutrality. This latest ruling confirms, amongst other things, that the ruling is valid for the full three years of Rank's claim period.

In June 2008, the Tribunal made a separate ruling in Rank's favour on the application of VAT to bingo. Both the bingo and amusement machines rulings have been appealed by HMRC and the Court of Appeal is scheduled to hear these appeals in April 2010.

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Further information

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Notes

1) Rank Group's claim
Rank's claim covers the period 2002 to 2005 (inclusive) and relates to VAT paid on revenue from Section 31 and Section 34 gaming machines in its Mecca Bingo clubs and Grosvenor Casinos. To view previous announcements concerning Rank's VAT claims please visit www.rank.com/investors.news.jsp

2) Fiscal neutrality
The European Union's law of fiscal neutrality requires that supplies of services that are the same or similar should be not be treated differently for VAT purposes. This position was confirmed in the European Court of Justice case Finanzamt v Linneweber (2005).

3) 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.