RPI OVERSEAS LIMITED
Registered No 493378

DIRECTOR'S REPORT

AND

FINANCIAL STATEMENTS

31 DECEMBER 2010

RPI OVERSEAS LIMITED
DIRECTOR'S REPORT

The director presents her report and financial statements for the year ended 31 December 2010

Principal activities and business review
The Company is a limited company incorporated and domiciled in England and Wales

The principal activity of the Company is that of an investment holding company With the exception of the liquidation of its subsidiary undertaking, Rank Taylor Hobson KK, the Company did not trade in the year under review and the director does not expect the Company to trade in the future The liquidation resulted in a profit for the year of £6,896,000

The director does not recommend the payment of a dividend (2009 £nil)

Going concern
The Company participates in centralised treasury arrangements and so shares banking arrangements with fellow group companies headed by The Rank Group Plc ('the Group') The Group is currently financed by a syndicated £200 0m multi-currency revolving credit facility, which was arranged in April 2007 and matures in April 2012 The Group has always fully complied with its banking covenants and the current drawdown on this facility at the date of signing these accounts is euros 63m The bank facility incorporates a change of control clause that, should it be exercised by banks providing two thirds of the facility would require the cancellation of the facility and the repayment of any outstanding drawdown This clause has not been invoked following the acquisition of a majority shareholding by Guoco Group Limited and the directors believe it unlikely that the panel of banks will request repayment Even in the unlikely event that the change of control clause is invoked the directors believe the Group has sufficient cash resources to repay the facility

For the purpose of operational flexibility, the Group intends to negotiate a replacement banking facility during the second half of 2011 and commenced initial discussions with its existing lenders in May 2011, although these were delayed during the recent offer for the Group Based on these discussions with its existing lenders the directors do not envisage any difficulty in arranging a new facility

The Group does not currently require this funding for the working capital needs of the business unless they are required to repay the amounts received from HMRC to date in relation to the litigation concerning the VAT treatment of income from interval bingo and gaming machines ("the VAT case")

The VAT case was heard in the European Court of Justice ("ECJ") on the 30 June 2011, and the directors continue to be very confident of the merits of the Group's claim and believe the likelihood of losing the case remains low The ECJ judgements are expected in the latter part of 2011

If the ECJ judgement means that the case is referred back to the UK courts and Rank loses, the VAT claim amount must be repaid plus interest This payment is likely to be required 30 days after the decision of the referring court is handed down, which is expected in July 2012 at the earliest Given the timeframe between the ECJ judgement and the obligation to pay, the directors are confident that there would be sufficient time to secure further financing facilities for the Group Therefore the directors do not consider that the contingent liabilities involved invalidate the going concern basis of preparation

In adopting the going concern basis for preparation the directors have considered not only the impact of the current status of the facilities and contingent liabilities described above, but have also considered the Group's trading cash flow forecasts and operating budgets Assuming there is no significant deterioration in trading from current levels or change in the circumstances outlined above, the directors believe that the Group will generate sufficient cash to meet its requirements for at least the next 12 months and comply with its banking covenants Accordingly, the adoption of the going concern basis remains appropriate for the Group

On this basis the director has a reasonable expectation that the Company will continue in existence for the foreseeable future and therefore has adopted the going concern basis of accounting in preparing the financial statements

Post balance sheet event
On 7 June 2011 Guoco Group Limited (Guoco), a company incorporated in Bermuda, and listed on the Hong Kong stock exchange, acquired a controlling interest in The Rank Group Plc, a parent undertaking

At 15 September 2011, Guoco owned 74 5% of The Rank Group Plc through two controlled undertakings, Asia Fountain Investment Company Limited and All Global Investments Limited The ultimate parent undertaking of Guoco is Hong Leong Company (Malaysia) Berhad which is incorporated in Malaysia

Director
Miss F Bingham is sole director of the Company

Statement of director's responsibilities
The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year Under that law the director has prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union Under company law the director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period In preparing these financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006 She is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

So far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware The director has taken all the steps that ought to have been taken as a director in order to make herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Insurance and indemnities
The Rank Group Plc has arranged insurance cover in respect of legal action against the director of the Company To the extent permitted by English law, the Company also indemnifies the director Neither the insurance nor the indemnity provides cover in situations where the director has acted fraudulently or dishonestly

Auditors
Ernst and Young LLP were appointed as auditors during the year and in accordance with s487(2) of the Companies act 2006, Ernst and Young LLP will continue as auditors of the Company

By order of the board

Miss F Bingham
Sole Director

Date 15 September 2011

Registered Office Statesman House, Stafferton Way, Maidenhead, Berkshire, SL6 1AY
Registered Number 493378

RPI OVERSEAS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RPI OVERSEAS LIMITED

We have audited the financial statements of RPI Overseas Limited for the year ended 31 December 2010 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the Accounting Policies and the related notes 1 to 10 The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor
As explained more fully in the Director's Responsibilities Statement set out on page 2, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Director's Report and Financial statements to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Ernst & Young LLP.

Iain Wilkie (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
1 More London Place
London SE1 2AF

Date 15 September 2011

RPI OVERSEAS LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £000	2009 £000
Dividend income from subsidiary undertakings		7,041	-
Exceptional items	3	(145)	-
Operating profit and profit before tax		6,896	-
Taxation	2	-	-
Profit for the year		6,896	-

All results are from continuing operations

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2010

	2010 £000	2009 £000
Profit for the year	6,896	-
Total comprehensive income for the year	6,896	-

BALANCE SHEET AT 31 DECEMBER 2010

	Note	2010 £000	2009 £000
Assets			
Non-current assets			
Investments	3	-	145
Current assets			
Trade and other receivables	4	8,901	1,860
Net assets		8,901	2,005
Shareholder's equity			
Ordinary share capital	7	900	900
Other reserves		8,001	1,105
Total equity		8,901	2,005

The notes on pages 6 to 10 are an integral part of these financial statements

These accounts were approved by the sole director and were signed by her on 15 September 2011

Miss F Bingham
Sole Director

RPI OVERSEAS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2010

	Share capital £000	Other reserves £000	Total £000
At 1 January 2009	900	1,105	2,005
Comprehensive income			
Result for the year	-	-	-
At 31 December 2009	900	1,105	2,005
Comprehensive income.			
Profit for the year	-	6,896	6,896
At 31 December 2010	900	8,001	8,901

There were no transactions with owners in either year

Other reserves represent retained earnings

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £000	2009 £000
Cash flows from operating activities			
Cash generated from operations	6	-	-
Net cash used in operating activities		-	-
Net movement in cash and cash equivalents		-	-
Cash and cash equivalents at 1 January		-	-
Cash and cash equivalents at 31 December		-	-

1. Accounting policies

A Basis of preparation

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and IFRIC interpretations as adopted by the European Union, and the Companies Act 2006 applicable to companies reporting under IFRS The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss A summary of the more important Company accounting policies is set out below

The Company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006 These financial statements therefore present information about the Company as an individual undertaking and not about its group

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates It also requires management to exercise its judgement in the process of applying the accounting policies The areas requiring a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are set out in the relevant accounting policies below The best estimate of the director may differ from the actual results

(i) Standards, amendments and interpretations to existing standards adopted by the Company

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2010

- IFRS 2 Share-based Payment (Amended) – The standard has been amended to clarify the accounting for group cash-settled share-based payment transactions This amendment also supersedes IFRIC 8 and IFRIC 11 The adoption of the amendment had no effect on the financial position or performance of the Company

- IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements Amended) – The revisions to the standards apply from 1 January 2010 IFRS 3 (Revised) introduces significant changes in the accounting for business combinations occurring after this date Changes affect the valuation of non-controlling interests, the accounting for transaction costs, the initial recognition and subsequent measurement of contingent consideration and business combinations achieved in stages These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results

  IAS 27 Consolidated and Separate Financial Statements (Amended) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to gains or losses Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary

  The revisions will affect future acquisitions or loss of control of subsidiaries and transactions with non-controlling interests The revisions have been applied prospectively and had no impact during the period

- IAS 39 Financial Instruments Recognition and Measurement – Eligible Hedged Items – The amendment addresses the designation of a one-sided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations The amendment had no effect on the financial position or performance of the Company

- IFRIC 17 Distribution of Non-cash Assets to Owners – The interpretation provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends The interpretation had no effect on the financial position or performance of the Company

- IFRIC 18 Transfers of Assets from Customers – The interpretation provides guidance on accounting for transfers of assets received from customers The interpretation had no effect on the financial position or performance of the Company

1 Accounting policies (continued)

- Improvements to IFRSs (issued April 2009) – In April 2009 the second set of amendments to standards was issued, primarily with a view to removing inconsistencies and clarifying wording The adoption of the amendments had no effect on the financial position or performance of the Company

The Company has not early adopted any other standard, interpretation or amendment that was issued but is not yet effective

(ii) *Standards, amendments and interpretations to existing standards that are not yet effective*

The following standards, amendments and interpretations to existing standards have been published and are mandatory for accounting periods beginning after 1 January 2010 or later periods, but they have not been early adopted by the Company

- IAS 24 Related Party Disclosures (Amendment) – Effective 1 January 2011
- IAS 32 Financial Instruments Presentation, Classification of Rights Issues – Effective 1 February 2010
- IFRIC 14 Prepayments of a Minimum Funding Requirement – Effective 1 January 2011
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments – Effective 1 July 2010
- IFRS 9 Financial Instruments – Effective 1 January 2013
- Improvements to IFRSs (issued May 2010) – Effective either 1 July 2010 or 1 January 2011

It is not anticipated that the adoption of the above standards, amendments and interpretations of existing standards will have a material impact on the Company financial statements in the period of initial application

B Going concern

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For the purpose of operational flexibility, the Group intends to negotiate a replacement banking facility during the second half of 2011 and commenced initial discussions with its existing lenders in May 2011, although these were delayed during the recent offer for the Group Based on these discussions with its existing lenders the directors do not envisage any difficulty in arranging a new facility

The Group does not currently require this funding for the working capital needs of the business unless they are required to repay the amounts received from HMRC to date in relation to the litigation concerning the VAT treatment of income from interval bingo and gaming machines ("the VAT case")

The VAT case was heard in the European Court of Justice ("ECJ") on the 30 June 2011, and the directors continue to be very confident of the merits of the Group's claim and believe the likelihood of losing the case remains low The ECJ judgements are expected in the latter part of 2011

If the ECJ judgement means that the case is referred back to the UK courts and Rank loses, the VAT claim amount must be repaid plus interest This payment is likely to be required 30 days after the decision of the referring court is handed down, which is expected in July 2012 at the earliest Given the timeframe between the ECJ judgement and the obligation to pay, the directors are confident that there would be sufficient time to secure further financing facilities for the Group Therefore the directors do not consider that the contingent liabilities involved invalidate the going concern basis of preparation

In adopting the going concern basis for preparation the directors have considered not only the impact of the current status of the facilities and contingent liabilities described above, but have also considered the Group's trading cash flow forecasts and operating budgets Assuming there is no significant deterioration in trading from current levels or change in the circumstances outlined above, the directors believe that the Group will generate sufficient cash to meet its requirements for at least the next 12 months and comply with

1 Accounting policies (continued)

B Going concern (continued)

its banking covenants Accordingly, the adoption of the going concern basis remains appropriate for the Group

On this basis the director has a reasonable expectation that the Company will continue in existence for the foreseeable future and therefore have adopted the going concern basis of accounting in preparing the financial statements

C Investments

Investments in subsidiaries are held at cost less impairment

D Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within operating costs When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables Subsequent recoveries of amounts previously written off are credited against operating costs in the income statement

E Audit fee

The audit fee is borne by Rank Leisure Holdings Limited, an intermediary holding company

F Taxation

Current tax is applied to taxable profits at the rates ruling in the relevant country

Deferred tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements However, if deferred income tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future

2. Taxation

The tax on the Company's profit before tax differs from the standard rate of UK Corporation tax (28%) The differences are explained below

	2010 £000	2009 £000
Profit before taxation	6,896	-
Profit on ordinary activities multiplied by the corporation tax rate in the UK of 28% (2009 28%)	1,931	-
Effects of		
Income not subject to tax	(1,931)	-
Tax charge in the income statement	-	-

3. Investments

	2010 £000	2009 £000
Shares in subsidiary undertaking		
Cost at 1 January	145	145
Liquidation of subsidiary undertaking	(145)	-
Cost at 31 December	-	145
Net book value at 31 December	-	145

On 12 October 2010, the liquidation of the Company's only subsidiary undertaking Rank Taylor Hobson KK was completed The final registration was filed on 18 October 2010 and the company registration was closed on the same day As part of the liquidation process, the Company received a dividend of £7,041,000, which after the investment write off of £145,000, resulted in a net profit of £6,896,000

4 Trade and other receivables

	2010 £000	2009 £000
Amounts falling due within one year		
Amount due from parent undertaking	8,901	1,860

Trade and other receivables do not contain impaired assets The amount owed by the parent undertaking is unsecured and repayable on demand The maximum exposure to credit risk at the reporting date is the fair value of the receivable disclosed above The Company does not hold any collateral as security

5 Financial assets and liabilities

The accounting policies for financial assets have been applied to the line items below

	Loans and receivables	
	2010 £000	2009 £000
Trade and other receivables	8,901	1,860
Total	8,901	1,860

The Company has no financial liabilities

6 Cash generated from operations

Reconciliation of operating profit to cash generated from operations

	2010 £000	2009 £000
Operating profit from continuing operations	6,896	-
Exceptional items	145	-
Dividend settled through intercompany	(7,041)	-
Cash generated from operations	-	-

7 Ordinary share capital

	2010 £000	2009 £000
Authorised, issued and fully paid		
900,000 ordinary shares of £1 each	900	900

8 Director and employees

The director received no remuneration in the year in respect of her services to the Company which were of negligible value (2009 nil) There were no employees of the Company during the year (2009 nil)

9. Parent undertakings and related party transactions

Throughout the year ended 31 December 2010 and to the date of signing these financial statements, the Company's immediate parent company was Rank Precision Industries Limited Both the Company and Rank Precision Industries Limited are incorporated and registered in England and Wales

Throughout the year ended 31 December 2010 and to 6 June 2011, the ultimate holding company was The Rank Group Plc, a company incorporated and registered in England and Wales

The Rank Group Plc, was the parent undertaking of the smallest and largest group to consolidate these financial statements Copies of The Rank Group Plc consolidated financial statements can be obtained from www rank com/investors/reports 2011 jsp or by written request to the Company Secretary at Statesman House, Stafferton Way, Maidenhead, Berkshire, SL6 1AY

With effect from 7 June 2011, the ultimate holding company became Hong Leong Company (Malaysia) Berhad, a company incorporated in Malaysia

There were no related party transactions during the year As at 31 December 2010, the Company was owed £8,900,926 (2009 £1,860,156) by its immediate parent undertaking, Rank Precision Industries Limited

The loan is unsecured, interest free and repayable on demand

10 Post balance sheet event

On 7 June 2011 Guoco Group Limited (Guoco), a company incorporated in Bermuda, and listed on the Hong Kong stock exchange, acquired a controlling interest in The Rank Group Plc, a parent undertaking

At 15 September 2011, Guoco owned 74 5% of The Rank Group Plc through two controlled undertakings, Asia Fountain Investment Company Limited and All Global Investments Limited The ultimate parent undertaking of Guoco is Hong Leong Company (Malaysia) Berhad which is incorporated in Malaysia