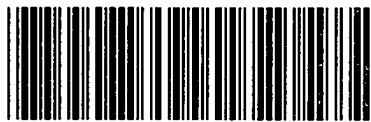


RANK OVERSEAS HOLDINGS LIMITED
Registered No. 412917

DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS

30 June 2015

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RANK OVERSEAS HOLDINGS LIMITED

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 30 June 2015. The comparative period covers the year ended 30 June 2014.

During the year the Company transitioned from EU-adopted IFRS to IFRS101 'Reduced Disclosure Framework', and has taken advantage of the disclosure exemptions allowed under this standard. The company has early adopted IFRS101, and its requirements have been applied to all periods presented. The Company's immediate parent undertaking, Rank Leisure Holdings Limited, was notified of all did not object to the use of the EU-adopted IFRS disclosure exemptions. There were no material recognition or measurement differences arising on the adoption of IFRS101.

Business review and principal activities

The Company is a limited company incorporated and domiciled in England and Wales.

The principal activity of the Company throughout the period was that of an investment holding company. The directors do not anticipate any change in the activity of the Company in the foreseeable future.

During the year, Rank Holdings Netherlands BV, a subsidiary of the Company was liquidated. Concurrently the subsidiary undertakings held by Rank Holdings Netherlands BV became direct subsidiaries of the Company. Details of this transaction along with details of the Company's other principal subsidiary undertakings are shown in note 5.

The results of the Company for the year are set out on page 5. The directors do not recommend the payment of a dividend (2014: Nil).

Future outlook and uncertainties

As an investment holding company the main outlook and uncertainties surround the financial performance of its subsidiary undertakings. The directors' focus is on increasing customer numbers, visits and revenue by bringing enjoyable gaming-based leisure experiences to a broader base of customers. Against this backdrop, the key elements of the strategy are:

- Creating a compelling multi-channel offer – by building on the existing portfolio of venues, membership systems, reward programmes and high level engagement between team members and customers;
- Building digital capability – replicating the strong position of the venues across digital channels;
- Developing our venues – continuing to invest in existing venues (in terms of product, environment and service) and by creating new ones;
- Investing in brands and marketing – increased brand marketing programmes, providing appropriate support for the established brands and development of new brands for the digital market; and
- Using technology to drive efficiency and improve customer experience – by speeding up processes, harnessing technological developments and increasing digital technologies in venues.

Principal risks and uncertainties

The principal risks to the successful implementation of this strategy are:

Regulatory and tax – adverse change in regulation could increase the administrative cost of operations, while new or increased taxation could have a material impact on the financial condition and results of subsidiaries;

Volatility of gaming win – win percentages for gambling activities can vary over a short period of time, although they will stabilise over the longer period. The activity of subsidiaries is therefore vulnerable to the potential impact of a small number of customers who can create volatility from their gaming win;

Loss of licences – gaming licences are fundamental to the operation of subsidiary operations;

External events – customers may be prevented or deterred from accessing our clubs due to factors such as extreme weather, illness or disease epidemics, terrorist threats, strikes and public transport system failures;

Business continuity and disaster recovery – due to the venues based nature of much of the subsidiary businesses, the significant reliance on technology, the criticality of staff in servicing customers and running the business, serious disruptive events such as building fire, pandemic or serious technology failure may cause an interruption to the ability to operate elements of the business if business continuity and disaster recovery plans failed to operate successfully;

RANK OVERSEAS HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

Wage rise inflation – a large number of team members in subsidiary businesses are employed at or just above the minimum wage and any increase in the minimum wage or other significant change to employment legislation could impact results; and

Reliance on technology – subsidiary companies are highly dependent on complex technology and advanced information systems with many interfaces and a significant number of separate suppliers. The pace of business change and development means that IT changes such as new software coding, systems enhancements and new software application integrations are undertaken continually and consequently these systems are inherently vulnerable to experiencing malfunctions, failures, or cyber-attacks such as viruses or hacker intrusion. Comprehensive technology resilience and systems protection measures are in place but it is difficult to detect all threats and vulnerabilities in order to prevent all server interruptions and problems.

Key performance indicators (KPI)

The directors of The Rank Group Plc manage the Group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance, and position of the Group, which includes the Company, is discussed in more detail on pages 1 to 43 of the Group's 2015 annual report and financial statements which do not form part of this report. The directors do not anticipate any immediate or substantial variations to the Company's current activities.

Directors

The following were directors of the Company during the year and at the date of these accounts:-

Mr H.B. Birch

Mr C.A.R. Jennings

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 directors are required to:

- present fairly the financial position, financial performance, and cash flows of the Company;
- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and estimates that are reasonable and prudent;
- provide additional disclosures when compliance with the specific requirements in United Kingdom Generally Accepted Accounting Practice is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and final performance;
- state whether the financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements for the Company on the going concern basis, unless it is appropriate to assume that the Company will not continue in business, in which case there should be supporting assumptions or qualifications.

The directors are 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. They are 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 each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditors are unaware. Each director has taken all the steps that ought to have been taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

RANK OVERSEAS HOLDINGS LIMITED
DIRECTORS' REPORT (CONTINUED)

Insurance and indemnities

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

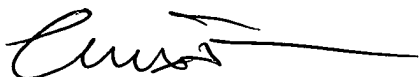
Auditors

In accordance with s487(2) of the Companies act 2006, Ernst and Young LLP will continue as auditors of the Company.

Small company's exemption

In preparing the Directors' Report, advantage has been taken of the small company's exemption under the Companies Act 2006. As a result of this exemption, the Company is not required to prepare a strategic report.

By order of the board



Mr C.A.R. Jennings

Director

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

Registered Number: 412917

Date: 21 December 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RANK OVERSEAS HOLDINGS LIMITED

We have audited the financial statements of Rank Overseas Holdings Limited for the year ended 30 June 2015 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Accounting Policies and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard FRS101 'Reduced Disclosure Framework'.

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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are 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 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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's Report 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 30 June 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

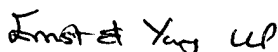
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in not preparing the Strategic Report.



Nick Powell (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date: 21 December 2015

RANK OVERSEAS HOLDINGS LIMITED
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2015

		Year ended 30 June 2015 £000	Year ended 30 June 2014 £000
	Note		
Other operating expense	2	(30,220)	(16,004)
Dividend income from subsidiary undertakings		6,349	16,004
Operating result	2	(23,871)	-
Interest receivable and similar income	3	80	68
		80	68
(Loss) profit on ordinary activities before taxation		(23,791)	68
Taxation	4	(17)	(15)
(Loss) profit for the year		(23,808)	53
All results are from continuing operations			

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Year ended 30 June 2015 £000	Year ended 30 June 2014 £000
(Loss) profit for the year	(23,808)	53
Total comprehensive (loss) income for the year	(23,808)	53

RANK OVERSEAS HOLDINGS LIMITED
BALANCE SHEET
AS AT 30 JUNE 2015

	Note	At 30 June 2015 £000	At 30 June 2014 £000
Fixed assets			
Investment in subsidiaries	5	16,489	38,737
Current assets			
Other debtors	6	178,286	179,846
Creditors: amounts falling due within one year			
Other creditors	7	(1,030)	(1,030)
Net current assets		<u>177,256</u>	<u>178,816</u>
Total liabilities		<u>(1,030)</u>	<u>(1,030)</u>
Net assets		<u>193,745</u>	<u>217,553</u>
Capital and reserves			
Ordinary share capital	8	1,000	1,000
Retained earnings		<u>192,745</u>	<u>216,553</u>
Total equity		<u>193,745</u>	<u>217,553</u>

The notes on pages 8 to 13 are an integral part of these financial statements.

These accounts were approved by the board on 21 December 2015 and signed on its behalf by:



Mr C.A.R. Jennings
Director

RANK OVERSEAS HOLDINGS LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	Share capital £000	Retained earnings £000	Total £000
At 1 July 2013	1,000	216,500	217,500
Total comprehensive income:			
Profit for the year	-	53	53
At 30 June 2014	1,000	216,553	217,553
Total comprehensive income:			
Loss for the year	-	(23,808)	(23,808)
At 30 June 2015	1,000	192,745	193,745

There were no transactions with owners in either year.

1. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies are in accordance with applicable accounting standards and have been consistently applied to all the periods presented, unless otherwise stated.

A Basis of preparation

The financial statements are prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'. The Company transitioned from EU-adopted IFRS to FRS101 for all periods presented. There were no material amendments on the adoption of FRS101. The Company has taken advantage of the following disclosure exemptions under FRS101:

- the requirement of IAS7 'Statement of Cash Flows';
- the requirements in IAS24 'Related Party Disclosures' to disclosure related party transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member; and
- the requirements of IFRS7 'Financial Instruments: Disclosures'.

The results of the Company, along with the equivalent disclosures in respect of the exemptions listed above are included in the consolidated financial statements of The Rank Group Plc, details of which are shown in note 11.

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 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 directors may differ from the actual results.

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

The following new standards, amendments to and interpretations of existing standards are mandatory for the first time for the financial period beginning 1 July 2014.

- IFRS10 Consolidated Financial Statements
- IFRS11 Joint Arrangements
- IFRS12 Disclosure of Interests in Other Entities
- IAS27 Separate Financial Statements (Revised)
- IAS28 Investments in Associates and Joint Ventures (Revised)
- IAS32 Financial Instruments: Presentation – Offsetting Financial Assets and Liabilities (Amendment)
- IAS36 Recoverable Amount Disclosures for Non-Financial Assets (Amendment)
- IAS39 Novation of Derivatives and Continuation of Hedge Accounting (Amendment)
- IFRIC21 Levies

The Company has not been materially impacted by the adoption of any of these standards, amendments or interpretations.

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

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

The following standards, amendments to and interpretations of existing standards have been published and are mandatory for accounting periods beginning after 1 July 2014 or later periods, but they have not been early adopted by the Company:

RANK OVERSEAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies (continued)

A Basis of preparation (continued)

- IAS19 Defined Benefits Plans: Employee Contributions – Effective 1 February 2015
- IFRS9 Financial Instruments – Effective 1 January 2018
- IFRIC15 Revenue from Contracts with Customers – Effective 1 January 2017
- Annual Improvements to IFRSs – 2011-2013 cycle – Effective 1 January 2015

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 Investments

Investments in subsidiaries are held at cost, less impairment.

C Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

An impairment loss is recognised as the amount by which an asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an impairment loss is recognised, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an exceptional expense in the income statement immediately.

A reversal of an impairment loss is recognised as exceptional income in the income statement immediately.

D 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 and associates, 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 future.

E Other debtors

Other debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

F Other creditors

Trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

RANK OVERSEAS HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2. Operating loss for the year

The following items have been included in arriving at the result for the year:

	Not e	Year ended 30 June 2015 £000	Year ended 30 June 2014 £000
Liquidation of investment in subsidiary undertakings	5	30,220	16,004

The audit fee is borne by Rank Leisure Holdings Limited, the Company's immediate parent.

3. Interest

	Year ended 30 June 2015 £000	Year ended 30 June 2014 £000
Interest receivable from Group companies	80	68
Total	80	68

4. Taxation

	Year ended 30 June 2015 £000	Year ended 30 June 2014 £000
Current tax		
- UK corporation tax in respect of current year	17	15
Total current tax	17	15
Tax charge in the income statement	17	15

The tax on the Company's result before tax differs from the standard rate of UK corporation tax of 20.75% (2014: 22.5%). The differences are explained below.

(Loss) profit before tax	(23,791)	68
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.75% (2014: 22.5%)	(4,937)	15
Effects of:		
- Income not subject to tax	(1,317)	(3,601)
- Expenses not deductible for tax purposes	6,271	3,601
Tax charge in the income statement	17	15

With effect from 1 April 2015 the main rate of UK corporation tax is 20%. However, in the Summer Budget 2015, the Chancellor of the Exchequer announced a reduction in the UK rate of corporation tax to 19% from 1 April 2017 and 18% from 1 April 2020. These rates were substantively enacted in October 2015 and reduce the amount of cash tax payments to be made by the Company in future periods.

The company has capital losses of £246m (2014: £246m). These losses are available for offset against future UK chargeable gains. No deferred tax asset has been recognised in respect of these losses as no further utilisation is currently anticipated.

RANK OVERSEAS HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

5. Investment in subsidiaries

	Investments £000
Cost	
At 1 July 2013	569,747
Liquidation of subsidiary	(60,810)
At 30 June 2014	508,937
Additions	7,972
Liquidation of subsidiary	(494,540)
At 30 June 2015	22,369
Impairment provision	
At 1 July 2013	(515,006)
Reversal of impairment on liquidation of subsidiary	44,806
At 30 June 2014	(470,200)
Reversal of impairment on liquidation of subsidiary	464,320
At 30 June 2015	(5,880)
Net book value at 30 June 2013	54,741
Net book value at 30 June 2014	38,737
Net book value at 30 June 2015	16,489

During the year, Rank Holdings Netherlands BV was liquidated and the cost of investment held by the Company of £30,220,000 was written off to the income statement. Dividends of £6,349,000 were received by the Company on the liquidation of Rank Holdings Netherlands BV. Investments held by Rank Holdings Netherlands BV in Rank Holdings Espana SA, Blankenberge Casino Kursaal NV and Middelkerke Casino Kursaal NV were transferred to the Company at their book value on the liquidation of Rank Holdings Netherlands BV.

At 30 June 2015, the Company owned 100% of the ordinary share capital and voting rights of the following companies:

<u>Principal subsidiary undertaking</u>	<u>Country</u>	<u>Principal activities</u>	<u>Class</u>	<u>Percentage</u>
Rank America Inc.	USA	Owns the Group's investments in the USA	Ordinary	100%
Rank Holding España SA	Spain	Owns the Group's investments in Spain	Ordinary	100%
Rank Overseas Finance Ltd	England & Wales	Holds financial assets on behalf of the Group	Ordinary	100%
Blankenberge Casino Kursaal NV	Belgium	Casino	Ordinary	100%
Middelkerke Casino Kursaal NV	Belgium	Casino	Ordinary	100%

6. Other debtors

	At 30 June 2015 £000	At 30 June 2014 £000
Amounts falling due within one year		
Amounts owed by parent undertakings	178,286	179,846
	178,286	179,846

The Company held no trade debtors at either balance sheet date and accordingly no provision for trade debtors was held. The other classes within trade and other debtors do not contain impaired or past due assets. The carrying value of other debtors is assumed to approximate to their fair value due to the short term nature of the receivables.

RANK OVERSEAS HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

7. Other creditors

	At 30 June 2015 £000	At 30 June 2014 £000
Amounts owed to subsidiary undertakings	1,030	1,030
	<u>1,030</u>	<u>1,030</u>

The carrying value of other creditors is assumed to approximate to their fair value. Amounts owed to related undertakings are unsecured, repayable on demand and are interest free and accordingly have no set maturity date. The Company has provided no collateral as security.

8. Ordinary share capital

	At 30 June 2015 £000	At 30 June 2014 £000
Authorised 900,000,000 ordinary shares of £1 each	<u>900,000</u>	<u>900,000</u>
Issued and fully paid 1,000,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

9. Directors and employees

The directors received no remuneration in the period in respect of their services to the Company, which were of negligible value (2014: nil). There were no employees of the Company during the period (2014: nil).

10. Financial assets and liabilities

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

	Loans and receivables	
	At 30 June 2015 £000	At 30 June 2014 £000
Other debtors	178,286	179,846
Total	<u>178,286</u>	<u>179,846</u>

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

	Other financial liabilities	
	At 30 June 2015 £000	At 30 June 2014 £000
Other creditors	1,030	1,030
Total	<u>1,030</u>	<u>1,030</u>

RANK OVERSEAS HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

11. Parent undertakings and related party transactions

The Company's immediate parent undertaking is Rank Leisure Holdings Limited. A company incorporated in England and Wales.

The ultimate parent undertaking is Hong Leong Company (Malaysia) Berhad (Hong Leong), which is incorporated in Malaysia. Hong Leong is the parent undertaking of the largest group to consolidate these financial statements.

The Rank Group Plc was the parent undertaking of the smallest group to consolidate these financial statements. Copies of The Rank Group Plc consolidated financial statements can be obtained from <http://asp-gb.secure-zone.net/v2/index.jsp?id=624/2682/10451&lng=en> or by written request to the Company Secretary at Statesman House, Stafferton Way, Maidenhead, Berkshire, SL6 1AY. Hong Leong is the parent undertaking of the largest group to consolidate these financial statements (from the date Hong Leong became the ultimate parent undertaking).