

To all shareholders in  
Rank Group Plc

**UK Shareholders Association**  
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## **Rank Group – Do You Agree with the Board’s Policy to Cut the Dividend While Continuing to Buy Back Shares?**

As a shareholder in Rank Group, you may be wondering why you are going to see your dividend income halved in the near future. Particularly when the company has been using surplus cash from the sale of the DeLuxe Film operations to fund a share buy-back programme.

Rank paid total dividends of 15.3 pence per share last year. But in the last Annual Report the directors announced that the company was going to move to a dividend payout ratio of 50% of profits. On current brokers’ earnings forecasts, this means that the dividend this year is likely to be less than half what it was last year.

You may rightly question why the dividends are to be reduced when the company has decided to spend your money on a share buy-back programme (and it is your money, as you are an owner of the company). We believe that if the company can afford to fund share buy-backs then the cash might be better spent on dividend payments.

Our full arguments on this issue are the subject of a 6 page report by UKSA which we will send to you if you return the enclosed reply slip. The United Kingdom Shareholders Association (UKSA) represents the interests of private shareholders and **WE ASK YOU TO SUPPORT THIS CAMPAIGN TO CHANGE THE POLICY OF RANK GROUP IN RESPECT OF BUY-BACKS.**

If you support our views on this matter, please do the following:

- Return the reply slip so that we can send you more information on this issue.
- Look at the benefits of membership in UKSA in the enclosed leaflet. By joining UKSA you will gain many personal benefits, help us to finance this campaign and promote the interests of shareholders.

Otherwise, if you have any questions on this matter, or on UKSA membership, please contact me by email, telephone or post to the above address.

Yours sincerely



Roger Lawson  
Communications Director