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Deluxe Completes Purchase of EFILM

Synergy Between Film and Digital Labs to Increase As Result of Acquisition

Hollywood (August 9, 2004) – Deluxe Laboratories, a world leader in services and technologies for the entertainment community, today assumed sole ownership of EFILM after reaching agreement to purchase Panavision's interest in the industry's premiere digital film laboratory. Already a 20% owner, Deluxe completed the purchase of Panavision's 80% holding to become the outright owner of EFILM.

Deluxe processes approximately 5 billion feet of motion picture film per year for Hollywood's leading studios and is well positioned as a full service provider for all entertainment related services. The addition of EFILM as a wholly owned business unit further strengthens Deluxe's position as a key service provider to the industry. EFILM is a key element of Deluxe's future strategy and, through its ability to generate digital masters, provides a high-resolution format for content conversion to all forms of media distribution.

"Bringing EFILM into the Deluxe fold has been a major priority for us and we can now offer our studio clients even better service and expanded choices for post production and lab services," said Cyril Drabinsky, president of Deluxe Laboratories. "We enjoy a long-term relationship with Panavision and were delighted to partner with them in EFILM. With EFILM's command of the digital intermediate process, filmmakers are constantly back and forth between EFILM and Deluxe when completing and preparing a motion picture for release. We can now offer this broad suite of services all under one umbrella company."

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Joe Matza, president of EFILM, will continue to lead the business unit and will work with Drabinsky and other Deluxe executives to maximize the synergies that exist between the two business units. Said Matza, "The digital intermediate process requires a great working relationship with the laboratory to produce beautiful prints. We have that relationship with Deluxe. The combination of EFILM's digital laboratory with Deluxe's film laboratory and Deluxe's dedication to being the leader in both film and digital services is great news for our customers. As a result of this acquisition, we will deliver even better service and more powerful creative tools to filmmakers."

EFILM was first established in 1993 and quickly became a pioneer in the world of digital mastering and processing. Utilizing proprietary digital color timing systems and image processing tools, high resolution scanning & recording technologies, and a high speed network, EFILM's services include digital intermediate, digital assembly of entire feature films, high-resolution scanning and recording for the visual effects industry, digital opticals for features, trailers and commercials, and tape-to-film services including 24p HD, DV, NTSC, and PAL. EFILM's technological capabilities are unrivaled in the industry and include high-resolution scanners, 13 ARRI laser film recorders and more than 200 Terabytes of storage capacity provided by SGI. Digital assembly, digital color timing, digital preview screenings, and a multitude of other powerful visual processes all become part of the tool set for the filmmaker. The process also offers many efficiencies including creation of one high-resolution digital distribution master that can be used for film output, digital cinema releases and home video/DVD.

EFILM's recent credits include digital intermediates for "*Spider-Man 2*" (the industry's first feature length 4K digital intermediate), "*The Day After Tomorrow*", "*Van Helsing*", "*New York Minute*", "*Eternal Sunshine of the Spotless Mind*", "*Silver City*", "*The Life and Death of Peter Sellers*", and "*The Passion of The Christ*". Motion picture sequences include "*Master and Commander: The Far Side of the World*" (winner of the 2004 Academy Award® for best Cinematography), and "*Starsky and Hutch*", as well as tape-to-film recording for "*Riding Giants*" & "*Imelda*" and visual effects scanning and recording for "*I, Robot*" and "*The Chronicles of Riddick*".

With 27 facilities around the world, Deluxe is a wholly owned subsidiary of the Rank Group, plc (NASDAQ: RANKY) offering a broad range of entertainment industry services and technologies to an international client base. Services include motion picture and television film laboratory processing, printing and distribution; digital media asset management and fulfillment services; compression and authoring, DVD and videocassette manufacturing; and packaged media distribution and for the entertainment industry. For more information, please visit www.bydeluxe.com.

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