

# Rank rejects Harrah's swap deal

Casino and bingo operator Rank has rejected an approach from US casino giant Harrah's Entertainment, Britain's Telegraph newspaper reported. Without citing sources, the paper said Rank rebuffed the deal, which saw Harrah's effectively offer to swap its own UK casinos for a 28 percent stake in the enlarged Rank.

A spokesman for Rank declined to comment, Harrah's could not be reached for comment. Rank has seen its shares battered over the last year as a ban on smoking and forced removal of lucrative slot machines has sparked a sharp decline in its bingo business, while a surprise hike in taxes has hit casino profits hard.

Media and analyst reports have linked a string of names to a possible offer for the firm including Ladbrokes and Malaysian Genting.

Caesar's palace owner Harrah's is in the process of being taken over by private equity funds Apollo Management LP and TPG Capital. It grabbed a foothold in the UK casino market last year when it bought London Clubs International but the tax changes have left a hole in the deal's finances.