

TABCORP HOLDINGS LIMITED
2017/18 FIRST HALF RESULTS PRESENTATION

8 FEBRUARY 2018
ABN 66 063 780 709

TABLE OF CONTENTS

Reshaping Tabcorp and 1H18 Overview	3 - 4
Tabcorp Results	6 - 12
Tatts Results	14 - 19
Pro-forma Combined Group Results	21 - 22
Capital Management	24
Regulatory Update	26
Integration Update	28
Conclusion	30
Appendices	32 - 38

RESHAPING TABCORP

- Tabcorp and Tatts combination completed in December 2017
 - Creates a world-class, diversified gambling entertainment group
 - Large national footprint and a diverse product offering across Wagering & Media, Lotteries & Keno, and Gaming Services
 - Combined Executive Leadership Team appointed
 - Integration progressing to plan
 - At least \$130m per annum of EBITDA synergies and business improvement benefits planned to be delivered in the first full year following integration. Integration is planned to take approximately 2 years
- Strategic investments to enhance competitive position in Australian gambling market
 - New wagering venue partnerships, including digital commissions
 - Improved digital capability and customer experience
 - Strengthened regulatory compliance and risk management capability across all businesses
 - Well placed to compete in evolving regulatory landscape
- Luxbet ceased operations and Odyssey Gaming Services divested
- Sun Bets business remains under review



1H18 OVERVIEW – TABCORP^{1,2}

- Statutory results
 - Revenues \$1,376.2m, up 18.7%
 - NPAT \$24.6m, down 58.2%
 - EPS³ 2.6 cents per share, down 63.4%
 - NPAT and EPS adversely impacted by significant items after tax of \$57.4m
- Results before significant items
 - Revenues \$1,376.2m, up 18.7%
 - EBITDA \$269.6m, down 0.3%
 - NPAT \$82.0m, down 20.2%
 - EPS³ 8.6 cents per share, down 30.1%
- Interim dividend 11.0 cents per share, fully franked
- Operational highlights
 - Completion of combination with Tatts
 - TAB business reported 3.1% turnover growth driven by a 16.5% uplift in digital turnover and strong customer acquisition
 - Gaming Services delivered double digit earnings growth, with Intecq now fully integrated
 - Keno turnover growth of 3.5% 2Q18 with momentum building in digital sales

1. *Tabcorp results include 18 days contribution from Tatts Group from 14 December 2017, refer to slide 7 for further details*

2. *Tabcorp results before significant items include the Sun Bets operating result in 1H18*

3. *EPS calculated using weighted average shares for the period*

TABLE OF CONTENTS

Reshaping Tabcorp and 1H18 Overview	3 - 4
Tabcorp Results	6 - 12
Tatts Results	14 - 19
Pro-forma Combined Group Results	21 - 22
Capital Management	24
Regulatory Update	26
Integration Update	28
Conclusion	30
Appendices	32 - 38

GROUP RESULTS^{1,2}

\$m	1H18	1H17	Change
Revenues	1,376.2	1,159.3	18.7%
Variable contribution	568.7	521.5	9.1%
Operating expenses	(299.1)	(251.1)	19.1%
EBITDA before significant items	269.6	270.4	(0.3%)
D&A	(99.8)	(86.7)	15.1%
EBIT before significant items	169.8	183.7	(7.6%)
Interest	(38.7)	(34.9)	10.9%
Tax expense	(49.1)	(46.1)	6.5%
NPAT before significant items	82.0	102.7	(20.2%)
Significant items (after tax) ³	(57.4)	(43.8)	31.1%
Statutory NPAT	24.6	58.9	(58.2%)

1. Results include 18 days contribution from Tatts from 14 December 2017, refer to slide 7 for further details
2. Sun Bets was treated as a significant item in 1H17, refer to slide 12 for further details
3. Significant items (after tax) of \$57.4m comprise Tatts Group acquisition related costs \$59.3m, Sun Bets onerous contract provision \$49.0m, Sun Bets impairment \$3.2m, Luxbet closure costs \$12.4m, loss on Odyssey divestment \$6.3m, partly offset by the net gain on the cash-settled equity swap \$72.8m

BUSINESS RESULTS

\$m	Wagering & Media	Change on pcp	Gaming Services	Change on pcp	Keno	Change on pcp	Sun Bets ²	Change on pcp	Tatts ³	Change on pcp	Group	Change on pcp
Revenues	1,000.7	1.4%	83.3	38.4%	112.2	0.1%	3.7	n/a	176.3	n/a	1,376.2	18.7%
Variable contribution	391.6	(1.5%)	75.6	28.8%	63.1	(3.1%)	(10.9)	n/a	49.3	n/a	568.7	9.1%
Operating expenses	(209.8)	4.1%	(29.3)	29.1%	(23.9)	(4.0%)	(11.6)	n/a	(22.0)	n/a	(299.1)	19.1%
EBITDA	181.8	(7.3%)	46.3	28.6%	39.2	(2.5%)	(22.5)	n/a	27.3	n/a	269.6	(0.3%)
D&A	(62.0)	2.3%	(20.0)	30.7%	(12.2)	13.0%	(1.0)	n/a	(4.6)	n/a	(99.8)	15.1%
EBIT	119.8	(11.6%)	26.3	27.1%	27.0	(8.2%)	(23.5)	n/a	22.7	n/a	169.8	(7.6%)
Opex / Revenue (%) ¹	21.0%	0.5%	35.2%	(2.6%)	21.3%	(0.9%)	>100%	n/a	12.5%	n/a	21.7%	0.1%
EBIT / Revenue (%)	12.0%	(1.8%)	31.6%	(2.9%)	24.1%	(2.2%)	>100%	n/a	12.9%	n/a	12.3%	(3.5%)
Capex	33.9	(11.7%)	33.8	33.1%	4.9	(44.9%)	6.4	n/a	NM	n/a	79.0	8.7%

1. The opex to revenue ratio excluding Sun Bets and Tatts was 22.2%
2. Sun Bets was treated as a significant item in 1H17, refer to slide 12 for further details
3. Results include 18 days contribution from Tatts from 14 December 2017. Tatts Group has been identified as a single segment due to the proximity of the acquisition to the period end. Tabcorp's operating segments will be reassessed prior to 30 June 2018

Note: Business results do not aggregate to Group total due to unallocated items and intercompany eliminations

WAGERING & MEDIA

\$m	1H18	1H17	Change
Wagering revenue	911.5	897.9	1.5%
Media revenue	89.2	89.1	0.1%
Revenues	1,000.7	987.0	1.4%
Variable contribution	391.6	397.7	(1.5%)
Operating expenses	(209.8)	(201.6)	4.1%
EBITDA	181.8	196.1	(7.3%)
EBIT	119.8	135.5	(11.6%)
Returns to the Racing Industry	443.0	430.7	2.9%

- Wagering revenue growth ex-Luxbet up 2.6%
- Continued investment in product and content
 - Multiplier launched during the Spring Racing Carnival, strengthening the TAB value proposition
 - Sky Sports 1 & 2 broadcasting EPL (and 2018 FIFA World Cup) rolled out to 4,000 retail venues
- Variable contribution reflects investment in strategic venue partnerships, the rollout of digital commissions (implemented 2Q17) and higher racing payments
- Opex growth of 4.1% driven by increased customer acquisition activity and legal costs (including CrownBet retail challenge)
- Luxbet strategic review completed
 - Ceased operations in December 2017 reflecting focus on core TAB businesses
 - EBIT loss \$7.8m



TAB: KPIs

\$m	1H18	1H17	Change %
Turnover by distribution (\$m)			
Retail	3,192.6	3,302.5	(3.3%)
Digital	2,555.0	2,192.5	16.5%
Call Centre	194.7	247.2	(21.2%)
Other	558.8	565.5	(1.2%)
Revenue by product (\$m)			
TAB Racing			
- Totalisator	561.6	594.2	(5.5%)
- Fixed Odds	361.5	311.3	16.1%
Total TAB Racing	923.1	905.5	1.9%
TAB Sports			
Trackside	39.9	44.2	(9.6%)
Other KPIs			
FO Racing yield	15.3%	15.6%	(0.3%)
FO Sports yield	15.1%	13.8%	1.3%
TAB Active Customers	499,500	466,000	7.2%
% Digital from mobile	71.0%	67.8%	3.2%

Notes: - Other turnover includes Oncourse, Premium Customers and PGI
 - Turnover and revenue includes Victorian Racing Industry interest
 - TAB Active Customers are measured on a rolling 12 month basis

- Digital turnover growth of 16.5%, driving total turnover growth of 3.1%
 - Digital turnover from mobile now represents 71.0% of total digital turnover (67.8% in 1H17)
- Active TAB account customers up 7.2% driven by 17.1% growth in new customer acquisition and good retention rates
- TAB Fixed Odds revenue growth of 14.4%, including 16.1% growth in racing
- TAB Racing revenues underpinned by growth in Fixed Odds
 - Fixed Odds racing yields lower than the pcp impacted by softer yields in 2Q18
- TAB Sports revenues benefited from high yields driven in part by continued growth in international sports



GAMING SERVICES

\$m	1H18	1H17	Change
Revenues	83.3	60.2	38.4%
EBITDA	46.3	36.0	28.6%
EBIT	26.3	20.7	27.1%

- Gaming Services benefited from 6 months of Intecq trading compared to 1 month in the pcp
- TGS
 - Approximately 10,550 EGMs under contract (Vic 8,600; NSW 1,950), with 89% of Victorian EGMs contracted through to 2022
 - TGS venues continue to outperform the market
- Intecq
 - Intecq integration completed
 - Business covers approximately 57,600 EGMs across loyalty and value-added systems in Victoria, NSW, Queensland and Tasmania
 - Odyssey divested December 2017; EBITDA contribution of \$1.3m in 1H18



KENO

\$m	1H18	1H17	Change
Revenues	112.2	112.1	0.1%
EBITDA	39.2	40.2	(2.5%)
EBIT	27.0	29.4	(8.2%)
Venues	3,631	3,599	0.9%
Ticket Count (m)	52.8	52.3	1.0%
Avg ticket size (\$)	11.5	11.8	(3.0%)
Digital Accounts	33,500	2,700	>100%

- Turnover down 1.9% on the pcp, impacted by an unfavourable jackpot sequence, particularly in 1Q18
 - 1Q18 down 6.8%
 - 2Q18 up 3.5%
- Revenue up 0.1% on the pcp
- Digital turnover (ACT and NSW in-venue) now represents 2.9% of total turnover (0.4% in 1H17)
- NSW annual licence fee payments commenced 1 July 2017 (full year impact \$3m)¹



Note: 1 NSW Keno Licence extended to 2050, terms include payment of \$25 million to the NSW Government and an annual fee (refer ASX release on 12 February 2016)

SUN BETS

\$m	1H18	1H17	Change
Turnover	158.3	96.8	63.5%
Revenues	3.7	1.5	>100%
Variable contribution	(10.9)	(6.5)	67.7%
EBITDA	(22.5)	(21.3)	5.6%
EBIT	(23.5)	(22.8)	3.1%
Number of customers	131,000	85,000	54.1%

Note: Sun Bets results for 1H17 were reported as a significant item as the business was in the establishment phase, 1H17 has been restated to show a like-for-like comparison



- Sun Bets performance remained unsatisfactory in 1H18, despite a better trading performance in 2Q18
- A number of new product and customer initiatives were introduced including improved integration of Dream Team, enhancements to the sportsbook and casino offerings, and implementation of revised marketing and CRM strategies, however these initiatives have not gained traction
- Our minimum payment obligations to News UK are £35.7m (including VAT) to 31 December 2019¹
- Significant items have been raised in respect of:
 - Sun Bets onerous contract provision of \$49.0m
 - Impairment of business assets of \$4.3m (\$3.2m after tax)
- Sun Bets business remains under review

1. If the Sun Bets business does not achieve revenue equivalent to the minimum fees payable to News UK in FY19, then in certain circumstances Tabcorp may terminate the agreement with effect from 31 December 2019. See Section 13.3(H) of the Tatts scheme book published 8 September 2017 for further details

TABLE OF CONTENTS

Reshaping Tabcorp and 1H18 Overview	3 - 4
Tabcorp Results	6 - 12
Tatts Results	14 - 19
Pro-forma Combined Group Results	21 - 22
Capital Management	24
Regulatory Update	26
Integration Update	28
Conclusion	30
Appendices	32 - 38

TATTS 1H18 OVERVIEW

- Slides 14 to 19 of this presentation include additional details of Tatts Group's results for the first half of the 2018 financial year which includes the trading period prior to acquisition by Tabcorp¹
- Statutory result: NPAT of \$102.4m, down 16.6% - impacted by significant items (after tax) of \$25.5m
- Results before significant items:
 - Revenue \$1,481.9m, up 4.4%
 - EBITDA \$244.4m, up 1.9%
 - NPAT \$127.9m, up 2.1%
- Significant items for the period:
 - Merger costs of \$36.4m (\$25.5m after tax)
- Operational highlights
 - Lotteries revenues up 6.2% with both digital and retail sales seeing positive growth
 - UBET digital turnover up 13.8%, fixed odds revenue growth up 3.8%
 - Gaming Services revenues up 4.8% benefiting from growth in value-added services

1. *The Tatts Group 1H18 information is subject to review by the Tatts Group external auditors. It is expected that the Tatts Group 1H18 Interim Financial Report will be finalised by March 2018, following completion of a review of the carrying value of assets and resetting of tax balances as a consequence of joining the Tabcorp tax consolidated group following the combination with Tabcorp*

TATTS GROUP RESULTS¹

\$m	1H18	1H17	Change
Total revenue and other income	1,481.9	1,419.5	4.4%
Government share	(702.1)	(655.9)	7.0%
Venue share/commission	(213.9)	(208.1)	2.8%
Product and program fees	(96.1)	(107.1)	(10.4%)
Other expenses	(225.4)	(208.5)	8.0%
Total expenses	(1,237.5)	(1,179.6)	4.9%
EBITDA before significant items	244.4	239.9	1.9%
Depreciation & amortisation	(40.1)	(39.8)	0.7%
EBIT before significant items	204.3	200.1	2.1%
Share of net profit of associate	0.6	-	-
Interest	(21.5)	(24.0)	(10.4%)
Profit before tax	183.4	176.1	4.1%
Tax expense	(55.5)	(50.8)	9.2%
NPAT before significant items	127.9	125.3	2.1%
Significant items (after tax)	(25.5)	(1.8)	>100%
Discontinued operations	-	(0.7)	(>100%)
Statutory NPAT	102.4	122.8	(16.6%)

The Tatts results in this presentation have been adjusted to reflect Tabcorp accounting methodology in respect of the following three items:

1. New lease costs for Brisbane office included in results before significant items - \$5.5m (\$3.9m after tax)
2. Lottery public campaign costs included in results before significant items - \$4.9m (\$3.5m after tax)
3. Gain on sale of Newstead property in 1H17 reclassified to significant items – \$5.5m (\$5.5m after tax)

Before these adjustments:

- EBITDA growth would have been 3.8%
- NPAT before significant items growth would have been 3.5%

1. The Tatts Group 1H18 information is subject to review by the Tatts Group external auditors. It is expected that the Tatts Group 1H18 Interim Financial Report will be finalised by March 2018, following completion of a review of the carrying value of assets and resetting of tax balances as a consequence of joining the Tabcorp tax consolidated group following the combination with Tabcorp

TATTS BUSINESS RESULTS

\$m	Lotteries	Change on pcp	Wagering	Change on pcp	Gaming Services	Change on pcp	Group	Change on pcp
Revenue	1,081.2	6.2%	311.1	(2.0%)	91.8	4.8%	1,481.9	4.4%
EBITDA	161.1	10.8%	55.9	(10.1%)	35.4	9.5%	244.4	1.9%
EBIT	142.7	12.6%	41.5	(17.9%)	28.3	23.6%	204.3	2.1%
EBITDA/Revenue (%)	14.9%	0.6%	18.0%	(1.6%)	38.6%	1.7%	16.5%	(0.4%)
EBIT/Revenue (%)	13.2%	0.7%	13.3%	(2.6%)	30.8%	4.7%	13.8%	(0.3%)
Capex							52.3	74.9%

1. Corporate costs have been allocated across the segments based on relative EBITDA contribution
2. Unallocated items include new lease costs for Brisbane office \$5.5m, lottery public campaign costs \$4.9m and Jumbo Interactive gain \$2.3m
3. SA Keno has been reclassified from the Wagering segment to Lotteries

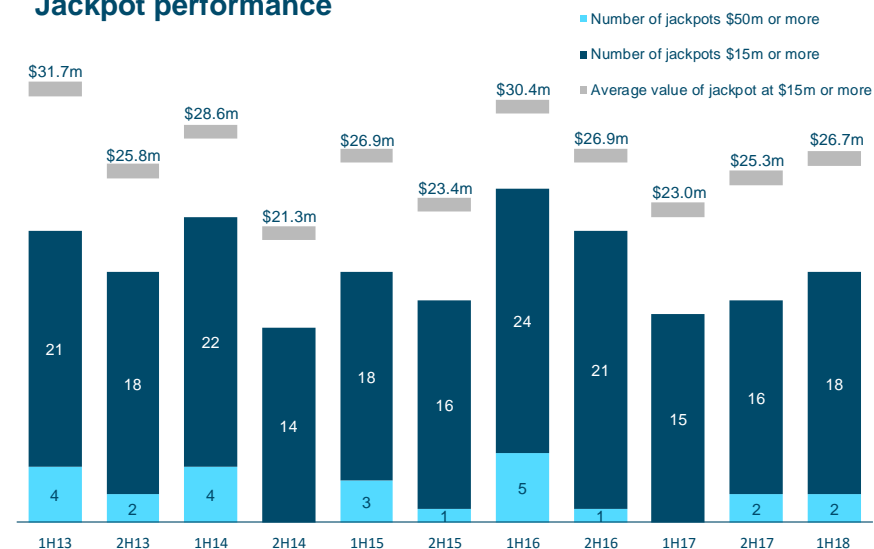
Note: Business results do not aggregate to Group total due to unallocated items and intercompany eliminations

TATTS LOTTERIES

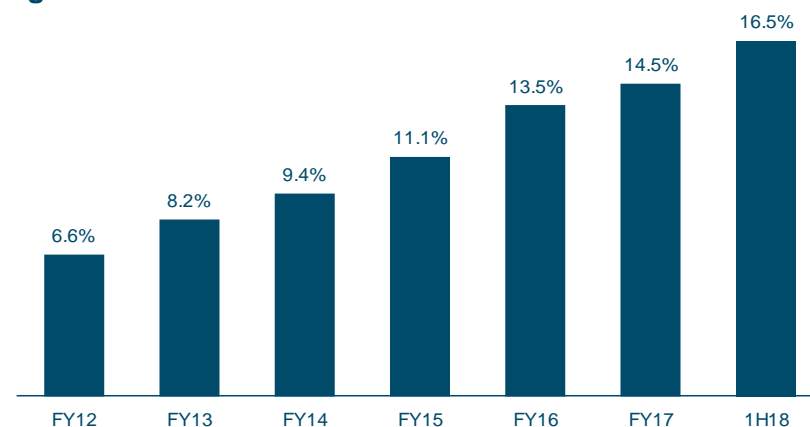
\$m	1H18	1H17	Change
Revenues	1,081.2	1,018.4	6.2%
EBITDA	161.1	145.4	10.8%
EBIT	142.7	126.7	12.6%

- Revenue up 6.2% on strong jackpot performance vs. pcp
 - 18 jackpots at or above \$15m vs 15 in pcp
 - 2 jackpots at \$50m or more vs. 0 in pcp
 - 1st division jackpot pool at or above \$15m - \$480m vs \$345m in pcp
- EBITDA margin up to 14.9% from 14.3% primarily driven by strong growth in digital sales
- Lottery digital sales now represent 16.5%¹ of total lottery sales, up from 13.5%¹ in 1H17
- Positive revenue growth in retail network
- New Victorian lotteries licence commences 1 July 2018

Jackpot performance



Digital share of sales



TATTS WAGERING

\$m	1H18	1H17	Change
Turnover	2,019.6	2,040.7	(1.0%)
Revenues	311.1	317.5	(2.0%)
EBITDA	55.9	62.2	(10.1%)
EBIT	41.5	50.5	(17.9%)
Yield	15.4%	15.6%	(0.2%)

- Turnover down 1% on the pcp
 - Digital turnover up 13.8% on the pcp
 - Active customers up 14.7% on the pcp
 - Cash handling self-service terminals (SST) rolled out in period
 - Overall SST turnover represents 4.1% of retail turnover (1H17: 1.6%)
- Wagering revenue down 2% on the pcp, impacted by lower Fixed Odds yields across racing and sport

\$m	1H18	1H17	Change
Turnover by distribution (\$m)			
Retail	1,072.6	1,135.4	(5.5%)
Digital	655.5	576.2	13.8%
Call Centre	86.2	97.6	(11.6%)
Other	205.3	231.5	(11.5%)

Revenue by product (\$m)

Racing			
- Totalisator	149.7	159.8	(6.3%)
- Fixed Odds	124.9	120.7	3.5%
Total Racing	274.6	280.5	(2.1%)
Sports	17.3	16.3	6.1%

Other KPIs

FO Racing yield	13.5%	13.9%	(0.4%)
FO Sports yield	10.1%	10.9%	(0.8%)
UBET Active Customers	164,000	143,000	14.7%
% Digital from mobile	53.9%	45.9%	8.0%

TATTS GAMING SERVICES

\$m	1H18	1H17	Change
Revenues	91.8	87.6	4.8%
EBITDA	35.4	32.4	9.5%
EBIT	28.3	22.9	23.6%
Machines monitored	129,950	131,155	(0.9%)
Venues monitored	3,559	3,629	(1.9%)
MAXconnect installations	16,548	15,740	5.1%
TITO installations	10,583	7,427	42.5%

- Revenue up 4.8% reflecting contracted increases in monitoring fees, increased uptake of MAXconnect, and increased TITO installations
- Business mix (revenue) 52% monitoring, 24% value-added services, 24% EGM maintenance
- Successful roll-out of new MAXsys monitoring system in New South Wales
 - New Centralised Monitoring System (CMS) licence commenced 1 December 2017

TABLE OF CONTENTS

Reshaping Tabcorp and 1H18 Overview	3 - 4
Tabcorp Results	6 - 12
Tatts Results	14 - 19
Pro-forma Combined Group Results	21 - 22
Capital Management	24
Regulatory Update	26
Integration Update	28
Conclusion	30
Appendices	32 - 38

1H18 OVERVIEW – PRO-FORMA COMBINED GROUP

- Group pro-forma¹ results before significant items
 - Revenues \$2,666.2m, up 3.1%
 - EBITDA \$485.4m, down 1.2%
 - EBIT \$350.8m, down 3.1%
- Operational highlights
 - Lotteries & Keno revenues up 5.6% with both digital and retail sales seeing positive growth
 - Wagering digital turnover up 16.0%, fixed odds revenue growth up 11.7%
 - Gaming Services revenues up 3.5% benefiting from new contracts and growth in value-added services
- Group pro-forma results reinforce strategic rationale for the combination
 - Diversification benefits across Wagering & Media, Lotteries & Keno and Gaming Services
 - Significant technology, product, customer and channel opportunities from integration

1. Pro-forma results include various adjustments to IFRS financial information, including 6 months of Tabcorp and Tatts results in 1H18 and 1H17, refer to slide 22 for further details

PRO-FORMA COMBINED GROUP BUSINESS RESULTS

\$m	Wagering & Media	Change on pcp	Lotteries & Keno	Change on pcp	Gaming Services	Change on pcp	Sun Bets	Change on pcp	Group ²	Change on pcp
Revenues	1,304.4	0.6%	1,193.5	5.6%	167.7	3.5%	3.7	>100%	2,666.2	3.1%
Variable contribution	517.9	(1.6%)	309.7	5.7%	162.4	3.4%	(10.9)	67.4%	976.8	1.1%
Operating expenses	(280.2)	4.6%	(109.3)	1.8%	(81.9)	(5.1%)	(11.6)	(21.4%)	(491.4)	3.6%
EBITDA	237.7	(8.0%)	200.4	7.9%	80.5	13.8%	(22.5)	5.8%	485.4	(1.2%)
D&A	(76.5)	5.9%	(30.6)	3.7%	(26.4)	1.6%	(1.0)	(36.0%)	(134.6)	4.1%
EBIT	161.2	(13.4%)	169.7	8.7%	54.1	21.0%	(23.5)	3.0%	350.8	(3.1%)

Basis of preparation¹

- Tatts: Includes 6 months of earnings in 1H18 and 1H17
- Intecq: Includes 6 months of earnings in 1H18 and 1H17
- Odyssey: No earnings contribution in 1H18 and 1H17
- Sun Bets: Includes 6 months of earnings in 1H18 and 1H17
- Corporate Costs: Tatts corporate costs have been allocated to the Tatts divisions based on relative EBITDA contribution

1. Consistent with pro-forma adjustments in the Tatts scheme book published 8 September 2017

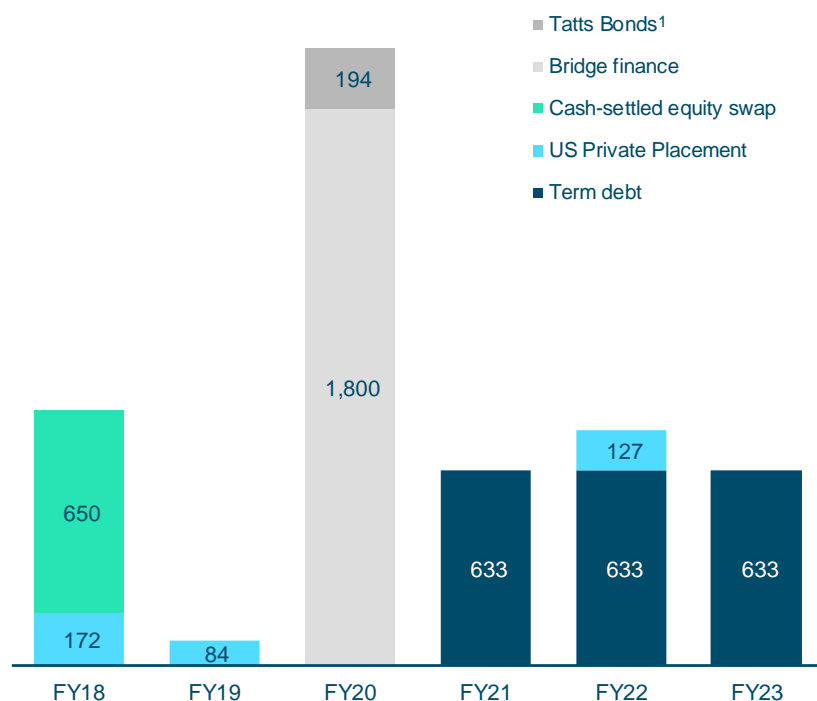
2. Business results to do not aggregate to Group total due to unallocated items and intercompany eliminations

TABLE OF CONTENTS

Reshaping Tabcorp and 1H18 Overview	3 - 4
Tabcorp Results	6 - 12
Tatts Results	14 - 19
Pro-forma Combined Group Results	21 - 22
Capital Management	24
Regulatory Update	26
Integration Update	28
Conclusion	30
Appendices	32 - 38

CAPITAL MANAGEMENT

DEBT STRUCTURE (\$m)



- Headroom available under bank facilities of \$948m at 31 December 2017
- Bridge financing of \$1.8bn expected to be refinanced in debt capital markets
- Cash-settled equity swap financing to be repaid through the proceeds from unwinding the swap. Now the combination with Tatts has been implemented, Tabcorp intends to unwind the swap subject to market conditions
- Tabcorp will target a Gross Debt / EBITDA² ratio of 3.0-3.5x and intends to maintain an investment grade credit rating
- Tabcorp will continue to consider a share buyback or other capital management initiatives in light of its gearing policy and strategic priorities
- FY18 dividend target is 90% of NPAT before significant items, amortisation of the Victorian Wagering and Betting Licence and Sun Bets
 - The Dividend Reinvestment Plan will operate for the interim dividend

Notes: 1 Tatts Bonds remain on foot despite classification as current in the financial statements
 2 Gross debt includes USPP debt at the A\$ principal repayment under cross currency swaps, and EBITDA is before significant items and is calculated as the full calendar year ended 31 Dec 2017, including Tatts as if it had been acquired on 1 January 2017

TABLE OF CONTENTS

Reshaping Tabcorp and 1H18 Overview	3 - 4
Tabcorp Results	6 - 12
Tatts Results	14 - 19
Pro-forma Combined Group Results	21 - 22
Capital Management	24
Regulatory Update	26
Integration Update	28
Conclusion	30
Appendices	32 - 38

REGULATORY UPDATE

- In March 2017, the Federal Treasurer announced an agreement with State and Territory Treasurers to work together on a national framework for state-based wagering point of consumption taxes
 - Point of consumption tax commenced in South Australia from 1 July 2017. A number of other states are currently actively considering its introduction
- *Interactive Gambling Act* amendments passed during the half, which included prohibitions on:
 - 'Click-to-call' wagering services (commenced September 2017); and
 - Offering credit to wagering customers (commencing in February 2018)
- Advertising restrictions during live sports (excluding racing) (commencing in March 2018)
- National Consumer Protection Framework to restrict various types of customer inducements
- Northern Territory Government has prohibited all licensed wagering operators (including Lottoland) from offering synthetic lottery products in relation to Australian lotteries
 - Governments in New South Wales, Victoria, Queensland, Tasmania and Western Australia have publicly stated their intention to prohibit synthetic lotteries being offered in their states. In South Australia legislation already prohibits synthetic lottery offerings

TABLE OF CONTENTS

Reshaping Tabcorp and 1H18 Overview	3 - 4
Tabcorp Results	6 - 12
Tatts Results	14 - 19
Pro-forma Combined Group Results	21 - 22
Capital Management	24
Regulatory Update	26
Integration Update	28
Conclusion	30
Appendices	32 - 38

INTEGRATION UPDATE

- On 21st December 2017, Tabcorp successfully implemented the combination of Tabcorp and Tatts, and announced its new Executive Leadership Team
- Since implementation, collaboration between Tabcorp and Tatts executives has been extensive and productive
 - Tabcorp will seek to retain the best talent from both organisations as part of the integration process
- Tabcorp has established the key workstreams and governance processes necessary to execute on the integration
- At least \$130m per annum of EBITDA synergies and business improvement benefits planned to be delivered in the first full year following integration. Integration is planned to take approximately 2 years
- Tabcorp will continue to engage closely with regulators and stakeholders as necessary to deliver on integration activities

TABLE OF CONTENTS

Reshaping Tabcorp and 1H18 Overview	3 - 4
Tabcorp Results	6 - 12
Tatts Results	14 - 19
Pro-forma Combined Group Results	21 - 22
Capital Management	24
Regulatory Update	26
Integration Update	28
Conclusion	30
Appendices	32 - 38

CONCLUSION

- 1H18 Overview
 - Tabcorp and Tatts combination completed in December 2017
 - Strategic investments to enhance competitive position in Australian gambling market
 - Luxbet ceased operations and Odyssey Gaming Services divested
- Future priorities
 - Deliver the benefits from the Tabcorp-Tatts integration
 - Realise benefits from strategic investments in retail and digital channels
 - Execute growth opportunities across each business
 - Ensure the highest levels of regulatory compliance
 - Maintain disciplined approach to operating expenditure and capital investment



TABLE OF CONTENTS

Reshaping Tabcorp and 1H18 Overview	3 - 4
Tabcorp Results	6 - 12
Tatts Results	14 - 19
Pro-forma Combined Group Results	21 - 22
Capital Management	24
Regulatory Update	26
Integration Update	28
Conclusion	30
Appendices	32 - 38

APPENDICES

1. Wagering & Media: Financial data
2. Wagering & Media: Revenues by state and product
3. Balance sheet
4. Cashflow
5. Tatts Segment Reconciliation
6. Group pro-forma Reconciliation

1. WAGERING & MEDIA: FINANCIAL DATA^{1,2}

\$m	1H18	1H17	Change
Revenues	1,000.7	987.0	1.4%
Taxes, levies, commissions and fees	(609.1)	(589.3)	3.4%
Variable contribution	391.6	397.7	(1.5%)
Operating expenses	(209.8)	(201.6)	4.1%
EBITDA	181.8	196.1	(7.3%)
D&A	(62.0)	(60.6)	2.3%
EBIT	119.8	135.5	(11.6%)

Ratios	1H18	1H17	Change
Variable contribution / Revenue	39.1%	40.3%	(1.2%)
Opex / Revenue	21.0%	20.4%	0.5%
EBIT / Revenue	12.0%	13.7%	(1.8%)

Returns to the Racing Industry	1H18	1H17	Change
Victoria	173.7	176.2	(1.4%)
New South Wales	172.3	163.2	5.6%
Race Field Fees	56.6	53.9	5.0%
Media & International	40.4	37.4	8.0%
Total Returns to the Racing Industry	443.0	430.7	2.9%

1. Prepared on a statutory basis
2. Excludes any contribution from Tatts wagering

2. WAGERING & MEDIA: REVENUES BY STATE AND PRODUCT^{1,2,3}

\$m	NSW 1H18	Change on pcp	Vic 1H18	Change on pcp	ACT 1H18	Change on pcp	Total 1H18	Change on pcp
Racing	491.2	3.0%	229.8	0.9%	14.7	8.1%	735.7	2.4%
Sports	75.4	8.5%	20.9	10.6%	1.7	30.8%	98.0	9.3%
Trackside	17.9	(7.7%)	10.8	(10.0%)	0.4	(42.9%)	29.1	(9.3%)
Media							89.2	0.1%
Luxbet							13.1	(42.0%)
Other							35.6	0.6%
Revenues	584.5	3.3%	261.5	1.1%	16.8	7.7%	1,000.7	1.4%

1. NSW and ACT represents 100% of revenue
2. Vic includes Tabcorp's 50% proportional share of the JV
3. Excludes any contribution from Tatts wagering

3. BALANCE SHEET

\$m	Dec 17	Jun 17	Change
Total current assets	1,453.1	556.6	>100%
Licences	1,627.0	637.5	>100%
Other intangible assets	9,484.4	2,058.0	>100%
Property, plant and equipment	501.8	339.4	47.8%
Other non current assets	289.2	149.3	93.7%
Total assets	13,355.5	3,740.9	>100%
Total liabilities	5,880.2	2,257.5	>100%
Shareholders' funds	7,475.3	1,483.4	>100%
Net debt (reported)	3,445.0	1,544.0	>100%
Net debt (economic) ¹	2,850.4	1,174.8	>100%
Shares on issue (m)	2,010.4	835.3	>100%
Ratios			
Gross debt ¹ / EBITDA ² (x)	3.4	2.5	
EBIT ³ / Net interest (x)	3.4	4.7	

Notes:

1. Net debt (economic) and Gross debt for the purpose of ratios, includes USPP debt at the A\$ principal repayable under cross currency swaps, and the value of cash-settled equity swap as reflected in the Balance Sheet as a current asset (\$654.9m) and the related funding (\$650m)
2. EBITDA is calculated as the full calendar year ended 31 Dec 2017, including Tatts as if it had been acquired on 1 January 2017
3. EBIT is calculated as the half year Tabcorp (including Tatts from the acquisition date) excluding the amortization of the Victorian Wagering and Betting Licence

4. CASHFLOW

\$m	1H18	1H17	Change
Net operating cash flows	323.5	211.9	52.7%
Net interest paid	(63.3)	(34.8)	81.9%
Income tax (paid) / refunded	(21.5)	(34.2)	(37.1%)
Payments for PP&E and intangibles	(105.9)	(78.3)	35.2%
Sub-total	132.8	64.6	>100%
Ordinary dividends paid	(104.4)	(90.1)	15.9%
Payment for cash-settled equity swap	(251.0)	(326.4)	(23.1%)
Payment for business acquisition, including net debt acquired	(1,469.1)	(113.2)	>100%
Proceeds from business divestment, net of cash divested	13.2	-	>100%
Settlement of dividends payable by business acquired	(235.0)	-	(>100%)
Other	(2.3)	1.1	(>100%)
Net cash flow	(1,915.8)	(464.0)	>100%
Net debt at beginning of period	1,544.0	954.4	61.8%
Net cash flow	(1,915.8)	(464.0)	>100%
Non cash movements	(14.8)	11.0	(>100%)
Net debt at end of period	3,445.0	1,429.4	>100%

5. TATTS SEGMENT RECONCILIATION

Lotteries, \$m	1H17	Corporate Costs ¹	SA Keno Reclass ²	Elims	Restated 1H17
Revenues	1,018.1	-	0.3	-	1,018.4
Variable contribution	227.7	-	0.2	-	227.9
Operating expenses	(67.8)	(14.6)	(0.0)	-	(82.5)
EBITDA	159.8	(14.6)	0.2	-	145.4
D&A	(12.8)	(5.9)	(0.0)	-	(18.7)
EBIT	147.1	(20.5)	0.2	-	126.7

Wagering, \$m					
Revenues	317.8	-	(0.3)	-	317.5
Variable contribution	137.1	-	(0.2)	-	136.9
Operating expenses	(69.6)	(5.1)	0.0	-	(74.7)
EBITDA	67.5	(5.1)	(0.2)	-	62.2
D&A	(9.6)	(2.1)	0.0	-	(11.7)
EBIT	57.9	(7.2)	(0.2)	-	50.5

Gaming Services, \$m					
Revenues	100.1	-	-	(12.5)	87.6
Variable contribution	100.1	-	-	(12.5)	87.6
Operating expenses	(64.3)	(3.5)	-	12.5	(55.3)
EBITDA	35.9	(3.5)	-	-	32.4
D&A	(8.1)	(1.4)	-	-	(9.5)
EBIT	27.8	(4.9)	-	-	22.9

Notes:

1. Unallocated corporate costs have been allocated across segments based on relative segment EBITDA contribution. Some items that are not considered as corporate overhead in nature have not been allocated. This includes new Brisbane property lease \$5.5m and lottery public campaign costs \$4.9m in 1H18
2. SA Keno has been reclassified from the Wagering segment to Lotteries

6. GROUP PRO-FORMA RECONCILIATION

- Combined Group pro-forma income statement for the six months ended 31 December 2017

\$m	Tabcorp Reported	Tatts Reported	Adjustments					Combined Group pro-forma
			Tatts 18 days	Sun Bets	Intecq	Odyssey Divestment	Elims	
Revenue	1,376.2	1,481.9	(176.3)	-	-	(7.4)	(8.1)	2,666.2
Variable Contribution	568.7	469.8	(49.3)	-	-	(5.1)	(7.4)	976.8
Operating Expenses	(299.1)	(225.4)	22.0	-	-	3.8	7.4	(491.4)
EBITDA before significant items	269.6	244.4	(27.3)	-	-	(1.3)	-	485.4
D&A	(99.8)	(40.1)	4.6	-	-	0.8	-	(134.6)
EBIT before significant items	169.8	204.3	(22.7)	-	-	(0.5)	-	350.8

- Combined Group pro-forma income statement for the six months ended 31 December 2016

\$m	Tabcorp Reported	Tatts Reported	Adjustments					Combined Group pro-forma
			Tatts 18 days	Sun Bets	Intecq	Odyssey Divestment	Elims	
Revenue	1,159.3	1,419.5	-	1.5	22.2	(7.9)	(9.3)	2,585.4
Variable Contribution	521.5	448.4	-	(6.5)	16.0	(5.3)	(8.4)	965.7
Operating Expenses	(251.1)	(208.5)	-	(14.8)	(11.7)	3.4	8.4	(474.3)
EBITDA excluding significant items	270.4	239.9	-	(21.3)	4.3	(1.9)	-	491.5
D&A	(86.7)	(39.8)	-	(1.5)	(2.0)	0.7	-	(129.3)
EBIT excluding significant items	183.7	200.1	-	(22.8)	2.3	(1.2)	-	362.2

DISCLAIMER

This Presentation contains summary information about the current activities of Tabcorp Holdings Limited (Tabcorp) and its subsidiaries (Tabcorp Group). It should be read in conjunction with the Tabcorp Group's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), which are available at www.asx.com.au.

No member of the Tabcorp Group gives any warranties in relation to the statements or information contained in this Presentation. The information contained in this Presentation is of a general nature and has been prepared by Tabcorp in good faith and with due care but no representation or warranty, express or implied, is provided in relation to the accuracy or completeness of the information.

This Presentation is for information purposes only and is not a prospectus, product disclosure statement or other disclosure or offering document under Australian or any other law. This Presentation does not constitute an offer, invitation or recommendation to subscribe for or purchase any security and neither this Presentation nor anything contained in it shall form the basis of any contract or commitment.

This Presentation is not a recommendation to acquire Tabcorp shares. The information provided in this Presentation is not financial product advice and has been prepared without taking into account any recipient's investment objectives, financial circumstances or particular needs, and should not be considered to be comprehensive or to comprise all the information which recipients may require in order to make an investment decision regarding Tabcorp shares.

All dollar values are in Australian dollars (A\$) unless otherwise stated.

Neither Tabcorp nor any other person warrants or guarantees the future performance of Tabcorp shares or any return on any investment made in Tabcorp shares. This Presentation may contain certain 'forward-looking statements'. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, financial position and performance are also forward-looking statements. Any forecasts or other forward looking statements contained in this Presentation are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Tabcorp, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You are cautioned not to place undue reliance on forward looking statements. Except as required by law or regulation (including the ASX Listing Rules), Tabcorp undertakes no obligation to update these forward-looking statements.

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

TO ADVANCE THE WAY WE PLAY

Tabcorp