

## Victorian Court of Appeal Proceeding

The Victorian Court of Appeal has today dismissed the State of Victoria's appeal and upheld the Supreme Court of Victoria's decision in favour of Tatts whereby the State of Victoria was ordered to pay Tatts \$451,157,286 plus interest in the amount of \$89,310,601.92 and costs, which are yet to be determined. The Court of Appeal also ordered that the State pay Tatts' costs of the appeal.

Tatts welcomes the decision, which again upholds an agreement entered into with the State of Victoria in 1995. This agreement led to the State receiving substantial additional licence fees from Tatts for the conduct of its Tatts Pokies business, on the basis that the State would pay compensation if a new gaming operator's licence were granted to anyone other than Tatts on the expiry of its licence.

The judgment sum and interest were paid by the State of Victoria to Tatts on 27 June 2014. As previously advised, these monies have not been recognised as income in Tatts' financial accounts, with the funds having been treated as unearned income and a current liability, and will not be recognised in the financial accounts until the matter is finally concluded.

Further details will be provided once it is known if the State of Victoria will lodge an application in the High Court of Australia seeking special leave to appeal the decision of the Victorian Court of Appeal. The State of Victoria has 28 days to lodge a special leave application in the High Court of Australia.

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