

15 October 2014

1Q15 Trading Update

Tabcorp Holdings Limited has today provided a trading update for the first quarter of the 2015 financial year.

Group revenues for the three months to 30 September 2014 were \$537.4 million, up 6.6% on the prior corresponding period.

1Q15 TRADING UPDATE - REVENUES

Revenues	1Q15 \$m	1Q14 \$m	Change on pcp
Wagering	415.9	385.0	8.0%
Media & International	57.1	54.5	4.8%
Gaming Services	25.1	24.6	2.0%
Keno	54.3	54.1	0.4%
Group revenues	537.4	503.9	6.6%

Notes: Unaudited. Revenues do not aggregate to group total due to intercompany eliminations.
 Wagering revenue excludes the VRI's interest in the Joint Venture.

The Wagering business built on the momentum established in FY14 by delivering 1Q15 revenue growth of 8.0%. Trading in 1Q15 was supported by good performances over the period in both racing and sport, which included a successful end to the 2014 Soccer World Cup.

Tabcorp's Media and International business grew revenues by 4.8%, largely driven by international co-mingling and the expanded export of Australian and New Zealand racing.

Revenues from Tabcorp's gaming services provider, Tabcorp Gaming Solutions (TGS) grew 2.0%. TGS continues to prioritise expansion into NSW and venue outperformance, which is being assisted by the roll-out of In-EGM loyalty.

Revenues in the Keno business grew marginally, up 0.4%. Tabcorp remains focused on commencing jackpot pooling between NSW and Victoria.

"Tabcorp has started the 2015 financial year well. We are seeing the benefits of targeted investment in our channels and products," said Managing Director and Chief Executive Officer, David Attenborough.

"In Wagering, our investment in recent years in high growth areas such as digital and fixed odds is paying off. We are achieving strong growth in these areas and the business, as a whole, has positive momentum."

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Wagering KPIs

TOTAL WAGERING BUSINESS REVENUES BY PRODUCT

Product	1Q15 \$m	1Q14 \$m	Change on pcp
Totalisator – Victoria	142.6	146.8	(2.9%)
Totalisator – NSW	159.0	164.2	(3.2%)
Fixed Odds	162.2	122.8	32.1%
Trackside	24.5	23.1	6.1%
Luxbet	14.3	11.1	28.8%

Notes: Victorian revenue includes JV partner interest. NSW represents 100% of revenue.

Fixed odds products were again a driver of Wagering revenue growth, with revenues up 32.1%. This was supported by product expansion and a strong yield performance. The positive trading was also boosted by the Soccer World Cup, with \$25.2 million in revenues, of which \$10.3 million was in FY15.

Totalisator betting continues to be adversely impacted overall by the growth of Fixed Odds betting on racing, particularly for Win and Place bets, and a reduction in low-margin premium customer volumes. Totalisator trends, however, did improve relative to FY14, with 1Q15 revenues down 3.2% in NSW and 2.9% in Victoria, compared to declines of 6.2% and 6.4% respectively in FY14.

Luxbet revenues grew 28.8%, supported by strong turnover growth and continued yield improvement.

TOTAL WAGERING BUSINESS TURNOVER BY DISTRIBUTION CHANNEL

Distribution Channel	1Q15 \$m	1Q14 \$m	Change on pcp
Retail – Victoria	687.4	694.4	(1.0%)
Retail – NSW	957.7	965.5	(0.8%)
Digital	796.3	656.1	21.4%
Call Centre	136.8	160.8	(14.9%)
Other	251.2	275.3	(8.8%)
Luxbet	175.4	149.4	17.4%

Notes: Victorian turnover includes JV partner interest. NSW represents 100% of turnover. Other includes OnCourse, Premium Customers and PGI.

Tabcorp's customers bet more across the business' multi-product, multi-channel platform in 1Q15, with total Wagering turnover of \$3,004.8 million, up 3.6%.

Tabcorp is Australia's largest digital wagering operator. Digital turnover growth was 21.4%, with mobile devices now accounting for 62% of digital turnover.

For more information:

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