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**NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO US PERSONS**

16 February 2015

**Retail Offer Booklet and Entitlement and Acceptance Form**

Tabcorp Holdings Limited ("Tabcorp") confirms that the Retail Offer Booklet and personalised Entitlement and Acceptance Form for the retail component of its fully underwritten 1 for 12 pro-rata accelerated renounceable entitlement offer ("Offer") are being despatched today to Eligible Retail Shareholders.<sup>1</sup>

Under the Offer which was announced on 5 February 2015, Eligible Retail Shareholders are invited to subscribe for 1 new Tabcorp ordinary share ("New Share") for every 12 existing Tabcorp ordinary shares ("Entitlement") held at 7.00pm (AEDT) on Tuesday, 10 February 2015, at an Offer price of \$3.70 per New Share. The retail component of the Offer opened at 9.00am (AEDT) today and will close at 5.00pm (AEDT) on Monday, 2 March 2015.

A letter notifying ineligible retail shareholders about the retail component of the Offer was despatched on 9 February 2015 (copy lodged with ASX on 10 February 2015).

Attached is a copy of the Retail Offer Booklet and pro-forma Entitlement and Acceptance Form.

**Important Information**

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to persons acting for the account or benefit of persons in the United States. Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements and the New Shares may not be offered or sold to persons in the United States or to persons who are acting for the account or benefit of persons in the United States, unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Neither this announcement nor any other documents relating to the offer of Entitlements or New Shares may be sent or distributed to persons in the United States.

This announcement contains forward-looking statements, which can usually be identified by the use of words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or words of similar effect. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Tabcorp, and which may cause actual outcomes

<sup>1</sup> Eligible Retail Shareholders are as defined in the Retail Offer Booklet

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to differ materially from those expressed in the statements contained in this announcement. Undue reliance should not be placed on these forward-looking statements. These forward-looking statements are based on information available to Tabcorp as of the date of this announcement. Except as required by law or regulation (including ASX Listing Rules) Tabcorp undertakes no obligation to update these forward-looking statements.

For more information:

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# Retail Entitlement Offer

1 for 12 pro rata renounceable entitlement offer of Tabcorp Holdings Limited ordinary shares at an offer price of \$3.70 per New Share

Retail Entitlement Offer closes at 5.00pm (AEDT) on Monday, 2 March 2015

**Not for distribution or release in the United States.**

This Retail Offer Booklet requires your immediate attention. It is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. This Retail Offer Booklet is not a prospectus under the *Corporations Act 2001* (Cth) (**Corporations Act**) and has not been lodged with the Australian Securities & Investments Commission (**ASIC**). Please call your stockbroker, accountant or other professional adviser or the Tabcorp Shareholder Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) if you have any questions.

# Important notices

Defined terms used in these important notices have the meaning given in this Retail Offer Booklet.

## Not for distribution or release in the United States.

### Future performance and forward looking statements

This Retail Offer Booklet contains certain 'forward looking statements'. Forward looking statements can generally be identified by the use of forward looking words such as 'expect', 'anticipate', 'likely', 'intend', 'propose', 'should', 'could', 'may', 'predict', 'plan', 'will', 'believe', 'forecast', 'estimate', 'target', and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the outcome and effects of the Offer and the use of proceeds. The forward looking statements contained in this Retail Offer Booklet involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Tabcorp Holdings Limited (ABN 66 063 780 709) (**Tabcorp**), and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Refer to Appendix A 'Key risks' of the Tabcorp Investor Presentation included in Section 5 of this Retail Offer Booklet for a summary of certain general and Tabcorp specific risk factors that may affect Tabcorp. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. Investors should consider the forward looking statements contained in this Retail Offer Booklet in light of those disclosures.

The forward looking statements are based on information available to Tabcorp as at the date of this Retail Offer Booklet. Except as required by law or regulation (including the Australian Securities Exchange (**ASX**) Listing Rules), Tabcorp undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

### Past performance

Investors should note that past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) future Tabcorp performance including future share price performance.

### Jurisdictions

This Retail Offer Booklet, or any accompanying ASX announcements or the Entitlement and Acceptance Form, do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Neither this Retail Offer Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. Neither the entitlements to subscribe for new ordinary shares in Tabcorp pursuant to the Offer described in this Retail Offer Booklet (**Entitlements**) nor the New Shares have been, nor will be, registered under the US Securities Act of 1933, as amended (**US Securities Act**), or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be purchased, traded, taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of a person in the United States. Neither the Entitlements nor the New Shares may be offered, sold or resold in the United States or to persons acting for the account or benefit of a person in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US State securities laws. In the Retail Entitlement Offer, the Entitlements and the New Shares will only be sold in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in compliance with Regulation S under the US Securities Act.

### Withholding tax

This Retail Offer Booklet refers to the potential payment of a Retail Premium to certain investors. Tabcorp may be required to withhold Australian tax in relation to any Retail Premium that is paid to those investors under applicable laws. References to the payment of the Retail Premium in this Retail Offer Booklet should be read as payments net of any applicable withholding taxes. If you are an Australian tax resident shareholder, and you have not previously provided your Tax File Number (**TFN**) or Australian Business Number (**ABN**) to Tabcorp, you may wish to do so prior to the close of the Retail Entitlement Offer described in this Retail Offer Booklet to ensure that any withholding tax is not deducted from any proceeds payable to you at the current rate of 49%. You are able to provide your TFN or ABN online through the Tabcorp Share Registry at [investorcentre.linkmarketservices.com.au](http://investorcentre.linkmarketservices.com.au).

### References to 'you', 'your Entitlement' and 'your Entitlement and Acceptance Form'

In this Retail Offer Booklet, references to 'you' are references to Eligible Retail Shareholders and references to 'your Entitlement' and 'your Entitlement and Acceptance Form' are references to the Entitlement (being the Retail Entitlement) and the Entitlement and Acceptance Form, respectively, of Eligible Retail Shareholders (as defined in Section 6.1).

### Times and dates

Times and dates in this Retail Offer Booklet are (except where historical) indicative only and subject to change. All times refer to Australian Eastern Daylight Time (**AEDT**). Refer to the 'Key Dates' section of this Retail Offer Booklet for more details.

### Currency

Unless otherwise stated, all dollar values in this Retail Offer Booklet are in Australian dollars (A\$).

### Trading Entitlements and New Shares

Tabcorp will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade Entitlements before they receive their Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by Tabcorp or the Tabcorp Share Registry or otherwise, or who otherwise trade or purport to trade Entitlements in error or which they do not hold or are not entitled to.

Tabcorp will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by Tabcorp or the Tabcorp Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt, as to these matters you should first consult with your stockbroker, accountant or other professional adviser.

Refer to Section 6 for more details.

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# Tabcorp Holdings Limited – Retail Entitlement Offer

Event	Date
Announcement of the Offer	Thursday, 5 February 2015
Retail Entitlements commence trading on ASX on a deferred settlement basis (ASX Code: TAHR)	Tuesday, 10 February 2015
Record Date for eligibility in the Offer (7.00pm (AEDT))	Tuesday, 10 February 2015
Retail Entitlements allotted	Monday, 16 February 2015
Retail Entitlement Offer opens	Monday, 16 February 2015
Retail Offer Booklet despatched to Eligible Retail Shareholders	Monday, 16 February 2015
Retail Entitlements commence trading on ASX on a normal settlement basis	Tuesday, 17 February 2015
Retail Entitlements trading on ASX ends	Monday, 23 February 2015
New Shares under the Retail Entitlement Offer commence trading on ASX on a deferred settlement basis (ASX Code: TAHNA)	Tuesday, 24 February 2015
Retail Entitlement Offer closes <sup>1</sup> (5.00pm (AEDT))	Monday, 2 March 2015
Retail Shortfall Bookbuild	Thursday, 5 March 2015
Settlement of the Retail Entitlement Offer	Thursday, 12 March 2015
Issue of New Shares under the Retail Entitlement Offer	Friday, 13 March 2015
New Shares under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	Monday, 16 March 2015
Despatch of holding statements for New Shares issued under the Retail Entitlement Offer	Tuesday, 17 March 2015
Retail Premium (if any) despatched	Wednesday, 18 March 2015

1. Eligible Retail Shareholders who wish to take up all or a part of their Entitlement can pay their Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form. The personalised Entitlement and Acceptance Form will be mailed to Eligible Retail Shareholders on or about Monday, 16 February 2015, or can be obtained by following instructions at [www.tabcorp.com.au](http://www.tabcorp.com.au). If you are unable to pay by BPAY®, you are able to pay by cheque, bank draft or money order. Payment must be made by no later than 5.00pm (AEDT) on Monday, 2 March 2015. Eligible Retail Shareholders should refer to Section 3 for options available to them to deal with their Entitlement.

The timetable above is (except where historical) indicative only and may be subject to change. Tabcorp, in conjunction with the Underwriter (as defined in Section 6.15), reserves the right to amend any or all of these dates and times without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Tabcorp reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares.

The commencement of quotation of Entitlements and New Shares is subject to the discretion of ASX.

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Retail Entitlement Offer opens.

## Enquiries

If you have any questions, please call the Tabcorp Shareholder Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia), or consult your stockbroker, accountant or other professional adviser. The Tabcorp Shareholder Information Line is open from 8.30am to 5.30pm (AEDT), Monday to Friday. Alternatively, you can access information about the Retail Entitlement Offer online at [www.tabcorp.com.au](http://www.tabcorp.com.au).

# Letter from the Chairman

Monday, 16 February 2015

Dear Shareholder,

On behalf of Tabcorp, I am pleased to invite you to participate in a 1 for 12 fully underwritten pro rata accelerated renounceable (with retail entitlements trading) entitlement offer of new ordinary shares in Tabcorp (**New Shares**) at an offer price of \$3.70 per New Share (**Offer Price**) to raise gross proceeds of approximately \$236 million (**Offer**).

On 5 February 2015, Tabcorp announced a fully franked special dividend for shareholders of 30 cents per share (**Special Dividend**), which equates to approximately \$230 million. The Special Dividend follows the release of a strong interim financial result and recognises the good progress being achieved on a number of important strategic initiatives.

Tabcorp is committed to maximising value for its shareholders through strong operational performance, investing in growth initiatives and through effective capital management. We will maintain an active and disciplined approach for our shareholders and may consider other capital management initiatives in the future.

The Special Dividend will be paid out of retained earnings of Tabcorp and, to maintain Tabcorp's current balance sheet and capital position, will be funded through the Offer.

## Offer

Under the Offer, eligible shareholders are entitled to acquire 1 New Share for every 12 existing Tabcorp ordinary shares (**Shares**) held on the record date, being 7.00pm (AEDT) on Tuesday, 10 February 2015 (**Record Date**). The pro rata nature of the Offer favours existing Tabcorp shareholders in recognition of their continuing support, and provides an equitable mechanism for shareholders to maintain their level of ownership in Tabcorp.

New Shares issued under the Offer will rank equally with existing Shares, except that the New Shares will not be entitled to receive either the Special Dividend or the 10 cents per share fully franked interim dividend for the half year ended 31 December 2014 (**Interim Dividend**) announced by Tabcorp on 5 February 2015.

The Offer Price of \$3.70 per New Share represents a discount of 14.2% to the closing market price of Shares (adjusted for the Special Dividend and the Interim Dividend) on 4 February 2015, the last trading day before the Offer was announced, and a 13.1% discount to the theoretical ex-rights price (**TERP**)<sup>2</sup> (adjusted for the Special Dividend and the Interim Dividend).

The Offer comprises an institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**). The Institutional Entitlement Offer will raise approximately \$142 million.

The Retail Entitlement Offer is expected to raise approximately \$94 million. This Retail Offer Booklet relates to the Retail Entitlement Offer and Entitlements allotted under it (**Retail Entitlements**).

Accompanying this Retail Offer Booklet is your personalised Entitlement and Acceptance Form which contains details of your Entitlement. Your Entitlement may have value and it is important that you determine whether to take up, sell, transfer or do nothing in respect of your Entitlement (see Section 3).

The Retail Entitlement Offer closes at 5.00pm (AEDT) on Monday, 2 March 2015. To participate, you should ensure that you have completed your application by paying the relevant application monies (**Application Monies**) by BPAY<sup>®</sup> before this time in the manner described in this Retail Offer Booklet. If you are unable to pay by BPAY<sup>®</sup> (for example if you are a New Zealand based shareholder without an Australian bank account), you are able to pay by cheque, bank draft or money order.

If you do not wish to take up your Entitlement, you may sell all or part of your Entitlement on ASX from Tuesday, 10 February 2015 to Monday, 23 February 2015, or transfer all or part of your Entitlement directly to another person. The assignment, transfer and exercise of Retail Entitlements is restricted to persons meeting certain eligibility criteria, as described in Section 6.9. If holders of Retail Entitlements at the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Retail Entitlements and, as a result, they may receive no value for them. If you choose to do nothing, or are unable to do anything, in respect of all or part of your Entitlement, part or all (as applicable) of your Entitlement will be offered for sale for your benefit through a bookbuild process on Thursday, 5 March 2015 (**Retail Shortfall Bookbuild**). In this case, you will receive any proceeds in excess of the Offer Price (per underlying New Share) in respect of the part of your Entitlement sold to investors in the Retail Shortfall Bookbuild (**Retail Premium**), less any applicable withholding tax.

## Further information

Further information on the Retail Entitlement Offer and Tabcorp's business is detailed in this Retail Offer Booklet. You should carefully read this Retail Offer Booklet in its entirety and consult your financial adviser before making your investment decision. In particular, you should read and consider Appendix A 'Key risks' of the Tabcorp Investor Presentation included in Section 5 of this Retail Offer Booklet, which contains a summary of some of the key risks associated with an investment in Tabcorp.

If you have any questions in respect of the Retail Entitlement Offer please call the Tabcorp Shareholder Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) at any time from 8.30am to 5.30pm (AEDT) Monday to Friday.

On behalf of Tabcorp's Board of Directors, I thank you for your ongoing support of Tabcorp.

Yours faithfully,



Paula J. Dwyer, Chairman, Tabcorp Holdings Limited

2. TERP is the theoretical price at which Shares should trade immediately after the ex-date for the Offer. TERP is a theoretical calculation only and the actual price at which Shares traded immediately after the ex-date for the Offer depended on many factors and may not have been equal to TERP. TERP is calculated by reference to Tabcorp's closing price on 4 February 2015, adjusted for the impact of the Special Dividend and the Interim Dividend.

# 1. Is this booklet relevant to you?

This Retail Offer Booklet is relevant to you if you are an Eligible Retail Shareholder.

In this Retail Offer Booklet, references to 'you' are references to Eligible Retail Shareholders and references to 'your Entitlement' and 'your Entitlement and Acceptance Form' are references to the Entitlement (being the Retail Entitlement) and the Entitlement and Acceptance Form, respectively, of Eligible Retail Shareholders.

Eligible Retail Shareholders are those persons who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm (AEDT) on Tuesday, 10 February 2015;
- have a registered address on the Tabcorp Share register in Australia or New Zealand;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such person in the United States);
- were not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Refer to Section 6.1 for further details.

## 2. Summary of options available to you

If you are an Eligible Retail Shareholder (as defined in Section 6.1) you may take any one of the following actions:

(a) take up all or part of your Entitlement; or

(b) sell all or part of your Entitlement:

(i) on ASX; or

(ii) by transferring it directly to another person; or

(c) do nothing and let all or part of your Entitlement be sold into the Retail Shortfall Bookbuild.

If you are a retail shareholder as at the Record Date who is not an Eligible Retail Shareholder, you are an Ineligible Retail Shareholder. Ineligible Retail Shareholders will receive the Retail Premium (if any), less any applicable withholding tax, for the sale of Entitlements for their benefit through the Retail Shortfall Bookbuild.

### Options available to you

### Key considerations

#### 1. Take up all or part of your Entitlement

- You may elect to subscribe for New Shares at the Offer Price (see Section 3.6.1 for instructions on how to take up your Entitlement).
- The New Shares will be fully paid and rank equally in all respects with existing Shares, except that they will not be entitled to receive either the Special Dividend or the Interim Dividend.
- The Retail Entitlement Offer closes at 5.00pm (AEDT) on Monday, 2 March 2015.
- If you only take up part of your Entitlement, you may choose to sell or transfer the balance (see Option 2 below) or you may do nothing and let the balance be sold in the Retail Shortfall Bookbuild for your benefit (see Option 3 below).
- Eligible Retail Shareholders are not able to apply for New Shares in excess of their Entitlement as set out in their personalised Entitlement and Acceptance Form.

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## 2. Sell or transfer all or part of your Entitlement

- If you do not wish to take up all or part of your Entitlement, you may be able to sell all or part of your Entitlement on ASX through your broker (see Section 3.6.2) or transfer your Entitlement directly to another person (see Section 3.6.3).
- Retail Entitlements may be traded on ASX from Tuesday, 10 February to Monday, 23 February 2015 (ASX Code: TAHR). You may incur brokerage costs if you sell all or part of your Entitlement on ASX.
- For Eligible Retail Shareholders who hold their existing Shares on capital account, the proceeds of any sale of your Entitlements on ASX or directly to another person should be treated as capital gains for Australian tax purposes (see Section 4).
- If you sell your Entitlement in the Retail Entitlement trading period, you may receive a higher or lower amount than a shareholder who sells their Entitlement at a different time in the Retail Entitlement trading period or through the Retail Shortfall Bookbuild.
- If you only sell or transfer part of your Entitlement, you may choose to take up the remainder (see Option 1 above) or you may do nothing and let that part be sold in the Retail Shortfall Bookbuild (see Option 3 below).

## 3. Do nothing and let all or part of your Entitlement be sold through the Retail Shortfall Bookbuild

- To the extent you do not take up or do not sell all of your Entitlement on ASX (or via direct transfer), your Entitlement will be sold through the Retail Shortfall Bookbuild on Thursday, 5 March 2015, and you will receive any Retail Premium in respect of the Entitlement (see Section 3.6.4). There is no guarantee that there will be any Retail Premium.
- The Australian Taxation Office (ATO) has stated in Taxation Ruling TR 2012/1 that in certain circumstances retail premiums will be taxed either as unfranked dividends (which may be subject to dividend withholding tax if you are not an Australian resident shareholder) or as ordinary income (and not as capital gains). The ATO's ruling does not apply to the Entitlements because, amongst other things, the Entitlements are tradeable on ASX.
- It is not clear whether any Retail Premium should be taxable in the hands of Eligible Retail Shareholders who hold their existing Shares on capital account as a capital gain or, instead, in accordance with the treatment applied by the ATO in TR 2012/1 (see Section 4.2).
- Accordingly, Eligible Retail Shareholders who propose to allow their Entitlements to be sold into the Retail Shortfall Bookbuild should consider instead selling their Entitlements on ASX, the tax treatment for which is more certain (see Section 4.1).
- You will not incur brokerage costs on any Retail Premium received from the Retail Shortfall Bookbuild.
- By letting your Entitlement be sold through the Retail Shortfall Bookbuild, you will forgo any exposure to increases or decreases in the value of New Shares (or any value for that Entitlement which may have been achieved through its sale on ASX or otherwise). Your percentage shareholding in Tabcorp will also be diluted.
- Tabcorp may be required to withhold tax, if you are an Australian tax resident shareholder, and you have not previously provided your TFN or ABN to Tabcorp. Accordingly, you may wish to provide your TFN or ABN prior to the close of the Retail Entitlement Offer to ensure that withholding tax is not deducted from any Retail Premium at the current rate of 49%. You are able to provide your TFN or ABN online through the Tabcorp Share Registry at [investorcentre.linkmarketservices.com.au](http://investorcentre.linkmarketservices.com.au).

## 3. How to apply

### 3.1 Overview of the Offer

Tabcorp intends to raise approximately \$236 million under the Offer.

Eligible shareholders are being offered the opportunity to purchase 1 New Share for every 12 existing Shares held as at 7.00pm (AEDT) on Tuesday, 10 February 2015 (**Record Date**), at the Offer Price of \$3.70 per New Share.

The Offer comprises four components:

- (a) **Institutional Entitlement Offer** – Eligible Institutional Shareholders (as defined in Section 6.2) were given the opportunity to take up all or part of their Entitlements. Entitlements under the Institutional Entitlement Offer (**Institutional Entitlements**) were renounceable and were not able to trade on ASX;
- (b) **Institutional Shortfall Bookbuild** – Institutional Entitlements not taken up were sold through a bookbuild process on Monday, 9 February 2015 (**Institutional Shortfall Bookbuild**). The sale price (per Entitlement to each underlying New Share) achieved in respect of those Entitlements was \$0.81 (**Institutional Premium**). Eligible institutional shareholders who elected not to take up all of their Institutional Entitlements will receive the Institutional Premium in respect of the part of their Entitlements not taken up and sold into the Institutional Shortfall Bookbuild;
- (c) **Retail Entitlement Offer** – Eligible Retail Shareholders (as defined in Section 6.1) will be allotted Retail Entitlements under the Retail Entitlement Offer, which can be taken up in whole or in part, or traded on ASX (or transferred directly to another person) in whole or in part. This means that if you do not wish to take up all or part of your Entitlement you may sell on ASX or transfer all or part of your Entitlement in order to realise value from your Entitlement. You may incur brokerage costs if you sell your Entitlement on ASX; and
- (d) **Retail Shortfall Bookbuild** – Retail Entitlements which are not taken up by the close of the Retail Entitlement Offer, and Entitlements that would have been issued to Ineligible Retail Shareholders (as defined in Section 3.7) had they been eligible to participate in the Retail Entitlement Offer, will be sold through the Retail Shortfall Bookbuild on Thursday, 5 March 2015. Any Retail Premium will be remitted proportionally to holders of those Retail Entitlements at the close of the Retail Entitlement Offer, and to Ineligible Retail Shareholders. The Retail Premium, if any, is expected to be paid on or about Wednesday, 18 March 2015.

You have a number of decisions to make in respect of your Entitlement. These decisions may materially affect the value (if any) that may be received in respect of your Entitlement. You should read this Retail Offer Booklet carefully before making any decisions in relation to your Entitlement.

The Offer is fully underwritten by the Underwriter. Further details on the Retail Entitlement Offer and Retail Shortfall Bookbuild are set out below.

### 3.2 The Institutional Entitlement Offer and Institutional Shortfall Bookbuild

On Thursday, 5 February and Friday, 6 February 2015, Tabcorp successfully conducted the Institutional Entitlement Offer at the Offer Price of \$3.70 per New Share.

On Monday, 9 February 2015, Tabcorp successfully conducted the Institutional Shortfall Bookbuild.

The Institutional Entitlement Offer will raise approximately \$142 million.

New Shares to be issued under the Institutional Entitlement Offer (including those subject to the Institutional Shortfall Bookbuild) are expected to be issued on Wednesday, 18 February 2015.

### 3.3 The Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders are invited to apply for 1 New Share for every 12 existing Shares held as at the Record Date at the Offer Price of \$3.70 per New Share.

The offer ratio and Offer Price under the Retail Entitlement Offer are the same as for the Institutional Entitlement Offer.

The Retail Entitlement Offer opens at 9.00am (AEDT) Monday, 16 February 2015 and will close at 5.00pm (AEDT) on Monday, 2 March 2015.

### 3.4 Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 12 existing Shares you held as at the Record Date (rounded down, if necessary, to the nearest whole number of New Shares).

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding.

You can also view details of your Entitlement online at [www.tabcorp.com.au](http://www.tabcorp.com.au).

New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally in all respects with existing Shares, except that the New Shares will not be entitled to receive either the Special Dividend or the Interim Dividend.

See Sections 6.1, 6.9 and 6.14 for information on restrictions on participation.

### 3.5 Consider the Retail Entitlement Offer carefully in light of your particular investment objectives and circumstances

The Retail Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow entitlement offers to be made without a prospectus. This Retail Offer Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Retail Entitlement Offer. As a result, it is important for you to read carefully and understand the information on Tabcorp and the Retail Entitlement Offer made publicly available, prior to deciding whether to take up all or part of your Entitlement, sell or transfer all or part of your Entitlement or do nothing in respect of your Entitlement. In particular, please refer to this Retail Offer Booklet and other announcements by Tabcorp made available at [www.asx.com.au](http://www.asx.com.au) (including announcements which may be made by Tabcorp after publication of this Retail Offer Booklet).

Please consult with your stockbroker, accountant or other professional adviser if you have any queries or are uncertain about any aspect of the Retail Entitlement Offer. You should also refer to Appendix A 'Key risks' of the Tabcorp Investor Presentation included in Section 5 of this Retail Offer Booklet.

### 3.6 Options available to you

If you are an Eligible Retail Shareholder, you may take any of the following actions. Each of these options may have a materially different outcome on any value you receive in respect of your Entitlement.

- (a) Take up all or part of your Entitlement (see Section 3.6.1);
- (b) Sell all or part of your Entitlement to persons meeting certain eligibility criteria:
  - (1) on ASX (see Section 3.6.2); or
  - (2) by transferring it directly to another person (see Section 3.6.3); or
- (c) Do nothing and let your Entitlement be sold through the Retail Shortfall Bookbuild (see Section 3.6.4).

#### 3.6.1 If you wish to take up all or part of your Entitlement

If you wish to take up all or part of your Entitlement, please pay your Application Monies via BPAY® by following the instructions set out on your personalised Entitlement and Acceptance Form. Payment is due by no later than 5.00pm (AEDT) on Monday, 2 March 2015. If you are unable to pay by BPAY®, please refer to Section 3.9.2 below.

If you take up and pay for all or part of your Entitlement before the close of the Retail Entitlement Offer, it is expected that you will be issued New Shares on Friday, 13 March 2015. Tabcorp's decision on the number of New Shares to be issued to you will be final.

Tabcorp also reserves the right (in its absolute discretion) to reduce the number of New Shares issued (or any Retail Premium paid) to Eligible Retail Shareholders, or persons claiming to be Eligible Retail Shareholders, if Tabcorp believes their claims to be overstated or if they or their nominees fail to provide information to substantiate their claims to Tabcorp's satisfaction (see Sections 6.5 and 6.6).

Eligible Retail Shareholders are not able to apply for New Shares in excess of their Entitlements as set out in their personalised Entitlement and Acceptance Forms.

### 3.6.2 If you wish to sell all or part of your Entitlement on ASX

If you wish to sell all or part of your Entitlement on ASX, you should instruct your stockbroker and provide details as requested from your personalised Entitlement and Acceptance Form or as accessed online at [www.tabcorp.com.au](http://www.tabcorp.com.au). Allow sufficient time for your instructions to be carried out by your stockbroker. Please note you may incur brokerage if you choose to sell your Entitlement on ASX.

Entitlement trading on ASX starts on a deferred settlement basis at 10.00am (AEDT) on Tuesday, 10 February 2015 (ASX Code: TAHR) until 4.00pm (AEDT) on Monday, 16 February 2015 and from 10.00am (AEDT) on Tuesday, 17 February 2015 until 4.00pm (AEDT) on Monday, 23 February 2015 on a normal settlement basis. There is no guarantee that there will be a liquid market in traded Entitlements. A lack of liquidity may impact your ability to sell your Entitlement on ASX and the price you may be able to achieve.

This Retail Offer Booklet, along with your personalised Entitlement and Acceptance Form, will be despatched on Monday, 16 February 2015.

**Tabcorp will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to you if you trade your Entitlement before you receive your personalised Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by Tabcorp or the Tabcorp Share Registry or otherwise, or if you otherwise trade or purport to trade Entitlements in error or which you do not hold or are not entitled to.**

If you wish to sell part of your Entitlement on ASX and let the balance be sold into the Retail Shortfall Bookbuild, follow the procedures above in respect of the part of your Entitlement you wish to sell on ASX, and do nothing in respect of the balance. You will receive the Retail Premium (if any) in respect of the balance of your Entitlement sold through the Retail Shortfall Bookbuild.

Prices obtainable for Retail Entitlements may rise and fall over the Retail Entitlement trading period and will depend on many factors including the demand for and supply of Entitlements on ASX and the value of Tabcorp's existing Shares relative to the Offer Price (taking into account that the New Shares will not receive the Special Dividend or the Interim Dividend). If you sell your Entitlement in the Retail Entitlement trading period, you may receive a higher or lower amount than a shareholder who sells their Entitlement at a different time in the Retail Entitlement trading period or through the Retail Shortfall Bookbuild.

If you sell your Entitlement, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up that Entitlement. Your percentage shareholding in Tabcorp will also be diluted.

### 3.6.3 If you wish to transfer all or part of your Entitlement other than on ASX

If you wish to transfer all or part of your Entitlement other than on ASX, you must forward a completed Renunciation and Transfer Form to the Tabcorp Share Registry in relation to the part of your Entitlement that you wish to transfer. If the transferee wishes to take up all or part of the Entitlement transferred to them, they must send their Application Monies together with the Entitlement and Acceptance Form related to the Entitlement transferred to them to the Tabcorp Share Registry.

You can obtain a Renunciation and Transfer Form through the Tabcorp Shareholder Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) or from your stockbroker. The Renunciation and Transfer Form as well as the transferee's Application Monies and the Entitlement and Acceptance Form related to the Entitlement transferred to them must be received by the Tabcorp Share Registry at the mail or hand delivery address in Section 3.10 no later than 5.00pm (AEDT) on Monday, 2 March 2015.

If the Tabcorp Share Registry receives both a completed Renunciation and Transfer Form and a separate application for New Shares in respect of the same Entitlement, the transfer will take priority over the application.

If you wish to transfer part of your Entitlement and allow the balance to be sold into the Retail Shortfall Bookbuild, follow the procedures above in respect of the part of your Entitlement you wish to transfer, and do nothing in respect of the balance. You will receive the Retail Premium (if any) in respect of the balance of your Entitlement sold through the Retail Shortfall Bookbuild.

If you transfer your Entitlement, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up that Entitlement. Your percentage shareholding in Tabcorp will also be diluted.

You may only transfer your Entitlement in this way to a purchaser whose address is in Australia or New Zealand or who is otherwise an 'Eligible Person' (see Section 6.9), and who is not in the United States and who is not acting for the account or benefit of a person in the United States. Persons who are in the United States or who are acting for the account or benefit of a person in the United States will not be eligible to purchase, trade, take up or exercise Entitlements. You should inform any transferee of these restrictions.

See Sections 6.1, 6.9 and 6.14 for more information on restrictions on participation.

### **3.6.4 If you wish to let your Entitlement be sold through the Retail Shortfall Bookbuild**

Any part of your Entitlement which you do not take up, sell or transfer will be sold through the Retail Shortfall Bookbuild on Thursday, 5 March 2015 to eligible institutional investors. You will receive the Retail Premium (if any) in respect of the part of your Entitlement sold through the Retail Shortfall Bookbuild (see Section 3.8).

By allowing your Entitlement (in whole or part) to be sold through the Retail Shortfall Bookbuild, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up the relevant part of your Entitlement (or any value for the relevant part of your Entitlement which may have been achieved through its sale on ASX or otherwise). Your percentage shareholding in Tabcorp will also be diluted.

### **3.7 Ineligible Retail Shareholders**

Ineligible Retail Shareholders are retail shareholders as at the Record Date who are not Eligible Retail Shareholders.

Ineligible Retail Shareholders will receive the Retail Premium (if any) for Entitlements that have been sold on their behalf into the Retail Shortfall Bookbuild.

### **3.8 Retail Shortfall Bookbuild**

Retail Entitlements which are not taken up by close of the Retail Entitlement Offer, and Retail Entitlements that would have been issued to Ineligible Retail Shareholders had they been eligible to participate in the Retail Entitlement Offer, will be sold through the Retail Shortfall Bookbuild. Any Retail Premium will be remitted proportionally to such shareholders on or about Wednesday, 18 March 2015, net of any applicable withholding tax.

Retail Premium amounts, if any, will be paid in Australian dollars. Relevant retail shareholders will be paid by direct credit to their nominated bank account as noted on Tabcorp's Share register or, if there is no nominated bank account, by cheque to their registered address. The Retail Premium, if any, is expected to be paid on or about Wednesday, 18 March 2015.

The Retail Premium may be zero, in which case no payment will be made to holders of those Entitlements sold into the Retail Shortfall Bookbuild. The outcome of the Institutional Shortfall Bookbuild (including the Institutional Premium) is not an indication as to whether there will be a Retail Premium or what any Retail Premium may be.

The ability to sell Entitlements under the Retail Shortfall Bookbuild and the ability to obtain any Retail Premium will depend on various factors, including market conditions. If there is a Retail Premium, it may be less than, more than, or equal to the Institutional Premium or less than, more than or equal to any price or prices that Entitlements may be able to be sold on ASX or otherwise transferred. To the maximum extent permitted by law, Tabcorp, the Underwriter and each of their respective related bodies corporate and affiliates, and each of their respective directors, officers, partners, employees, representatives and agents, disclaim all liability, including for negligence, for any failure to procure a Retail Premium under the Retail Shortfall Bookbuild, or for any difference between the Retail Premium and the Institutional Premium. Tabcorp reserves the right to allocate Entitlements under the Retail Shortfall Bookbuild at its discretion.

You should note that if you sell or transfer all or part of your Entitlement or allow all or part of your Entitlement to be sold into the Retail Shortfall Bookbuild, then you will forgo any exposure to increases or decreases in the value of New Shares had you taken up the relevant part of your Entitlement (or any value for the relevant part of your Entitlement which may have been achieved through its sale on ASX or otherwise) and your percentage shareholding in Tabcorp will be diluted to the extent of your non-participation in the Retail Entitlement Offer.

### 3.9 Payment

Payment should be made using BPAY® if possible. New Zealand shareholders who do not have an Australian bank account, and other shareholders who are unable to pay by BPAY®, will be able to pay by cheque, bank draft or money order (see below at Section 3.9.2).

Cash payments will not be accepted. Receipts for payment will not be issued.

Tabcorp will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

If you are unable to pay by BPAY®, please refer below to Section 3.9.2.

#### 3.9.1 Payment by BPAY®

For payment by BPAY®, please follow the instructions on your personalised Entitlement and Acceptance Form or online at [www.tabcorp.com.au](http://www.tabcorp.com.au). You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form or accessed online at [www.tabcorp.com.au](http://www.tabcorp.com.au). If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

Please note that by paying by BPAY®:

- you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 3.11 of this Retail Offer Booklet; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Tabcorp Share Registry by no later than 5.00pm (AEDT) on Monday, 2 March 2015. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

### 3.9.2 If you are unable to pay by BPAY®

If you are unable to pay by BPAY®, you are able to pay by cheque, bank draft or money order.

Tabcorp encourages payments by BPAY® if possible.

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by the cheque, bank draft or money order in Australian currency for the amount of the Application Monies, payable to 'Tabcorp Retail Offer' and crossed 'Not Negotiable'.

Your cheque, bank draft or money order must be:

- for an amount equal to \$3.70 multiplied by the number of New Shares that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution. Payment cannot be made in New Zealand dollars. New Zealand resident shareholders must arrange for payment to be made in Australian dollars.

If paying by cheque, you should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies as your cheque will be processed on the day of receipt. If the amount of your cheque, bank draft or money order for Application Monies (or the amount for which the cheque, bank draft or money order clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

### 3.10 Mail or hand delivery

To participate in the Retail Entitlement Offer, your payment must be received no later than the close of the Retail Entitlement Offer, being 5.00pm (AEDT) on Monday, 2 March 2015. If you are making payment via cheque, bank draft or money order, you should mail or hand deliver your completed personalised Entitlement and Acceptance Form together with Application Monies to:

#### Mailing Address

**Tabcorp Holdings Limited**  
c/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001

#### Hand Delivery Address

**Tabcorp Holdings Limited**  
c/- Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138  
*(Please do not use this address for mailing purposes)*

Personalised Entitlement and Acceptance Forms and Application Monies will not be accepted at Tabcorp's registered or corporate offices, or other offices of the Tabcorp Share Registry.

### 3.11 Representations by acceptance

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have represented to Tabcorp that you are an Eligible Retail Shareholder and:

- acknowledge that you have read and understand this Retail Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet (including Section 6.4), and Tabcorp's constitution;
- authorise Tabcorp to register you as the holder(s) of New Shares allotted to you;
- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under your personalised Entitlement and Acceptance Form;
- acknowledge that once Tabcorp receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY®, you may not withdraw your application or funds provided except as allowed by law;
- agree to apply for and be issued up to the number of New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY®, at the Offer Price per New Share;
- authorise Tabcorp, the Underwriter, the Tabcorp Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Tabcorp Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- acknowledge that the information contained in this Retail Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Retail Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in Tabcorp and is given in the context of Tabcorp's past and ongoing continuous and periodic disclosure announcements to ASX;
- acknowledge the statement of risks in Appendix A 'Key risks' of the Tabcorp Investor Presentation contained in Section 5 of this Retail Offer Booklet, and that investments in Tabcorp are subject to risk;
- acknowledge that none of Tabcorp, the Underwriter, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of Tabcorp, nor do they guarantee the repayment of capital;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- authorise Tabcorp to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- represent and warrant (for the benefit of Tabcorp, the Underwriter and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- represent and warrant that the law of any place does not prohibit you from being given this Retail Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- represent and warrant (for the benefit of Tabcorp, the Underwriter and their respective related bodies corporate and affiliates) that you are not in the United States and you are not acting for the account or benefit of a person in the United States;
- understand and acknowledge that neither the Entitlements nor the New Shares have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States. The Entitlements may not be acquired or exercised by persons in the United States or by persons who are acting for the account or benefit of a person in the United States. Neither the Entitlements nor the New Shares may be offered or sold, directly or indirectly, to persons in the United States or to persons acting for the account or benefit of a person in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable U.S. state securities laws;
- agree that you have not and will not send this Retail Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Retail Entitlement Offer to any person in the United States or to any person acting for the account or benefit of a person in the United States; and
- agree that if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in transactions where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States or who is acting for the account or benefit of a person in the United States.

### 3.12 Representations by acquirers of Retail Entitlements

Investors who acquire Retail Entitlements on ASX or otherwise will, by acquiring those Retail Entitlements, and by applying to take up all or part of those Retail Entitlements, be deemed to agree to make and be subject to the representations, declarations, warranties and agreements in Section 3.11 above (with references to the personalised Entitlement and Acceptance Form to be read as including any other form provided or required to be provided to Tabcorp, the Tabcorp Share Registry or the person's stockbroker).

The Retail Entitlements may not be purchased, traded, taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of persons in the United States.

Investors should note that if you purchase Retail Entitlements in a transaction on ASX or otherwise, in order to take up or exercise those Entitlements and subscribe for New Shares you:

- must be an Eligible Retail Shareholder (as defined in Section 6.1), a resident in Australia or New Zealand, or otherwise qualify as an 'Eligible Person'<sup>3</sup>; and
- must not be in the United States or acting for the account or benefit of a person in the United States.

If you do not satisfy the above conditions, you will not be entitled to take up Retail Entitlements or subscribe for New Shares.

It is the responsibility of purchasers of Entitlements to inform themselves of the eligibility criteria for exercise. If holders of Entitlements after the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Entitlements. In the event that holders are not able to take up their Entitlements, those Entitlements will be sold into the Retail Shortfall Bookbuild and holders may receive no value for them.

### 3.13 Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions, please contact the Tabcorp Shareholder Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia). The Tabcorp Shareholder Information Line is open from 8.30am to 5.30pm (AEDT), Monday to Friday. Alternatively, you can access information about the Retail Entitlement Offer online at [www.tabcorp.com.au](http://www.tabcorp.com.au). If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

3. Certain investors in a limited number of foreign jurisdictions (other than the United States) may be Eligible Persons if they satisfy the requirements of that expression as set out in the 'Entitlement and Acceptance Form' in respect of the Offer which is available at [www.tabcorp.com.au](http://www.tabcorp.com.au) and released by Tabcorp to ASX on [www.asx.com.au](http://www.asx.com.au).

## 4. Australian taxation considerations

This section is a general summary of the Australian income tax, capital gains tax (CGT), Goods and Services Tax (GST) and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders.

The taxation implications of the Retail Entitlement Offer will vary depending upon your particular circumstances. Accordingly, you should seek and rely upon your own professional advice before concluding on the particular taxation treatment that will apply to you.

Neither Tabcorp nor any of its officers or employees, nor its taxation or other advisers, accepts any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

The comments in this section deal only with the Australian taxation implications of the Retail Entitlement Offer if you hold Shares on capital account and you are a resident for Australian income tax purposes. Accordingly, the comments do not apply to you if you hold your Shares on revenue account, as trading stock or have acquired your Shares for the purpose of on-sale at a profit.

The comments in this section are general in nature and are based on the Australian tax legislation and administrative practice in force as at the date of this Retail Offer Booklet.

These comments also do not apply to trustees of employee share schemes or if you acquire New Shares pursuant to any employee share scheme.

The issue of the Entitlements will not itself result in any amount being included in your assessable income.

### 4.1 Sale of Entitlements

If you sell your Entitlement on ASX or otherwise, you should derive a capital gain for CGT purposes equal to the sale proceeds less certain costs of disposal. The proceeds from the sale of Entitlements should not be treated as ordinary income.

Individuals, complying superannuation entities or trustees that have held their existing Shares for at least 12 months prior to the date of disposal, should be entitled to discount the amount of a capital gain resulting from the sale of the Entitlements (after the application of any current year or carry forward capital losses). The amount of this discount is 50% for individuals and trustees and 33 1/3% for complying superannuation entities. This is referred to as the 'CGT discount'. The CGT discount is not available for companies that are not trustees. Trustees should seek specific tax advice regarding the tax consequences arising to beneficiaries because of discount capital gains.

Notwithstanding the above, recent statements by the Australian Taxation Office have not expressly dealt with the sale of entitlements like the Entitlements on ASX or off-market. You are advised to obtain professional advice as to the taxation treatment of such proceeds.

### 4.2 Entitlements not taken up

Any Entitlements not taken up by you will be sold in the Retail Shortfall Bookbuild.

Any Retail Premium will be remitted as a cash payment to you (after deducting applicable withholding tax).

The Australian Commissioner of Taxation (**Commissioner**) expressed the view in Taxation Ruling TR 2012/1 'Income tax: retail premiums paid to shareholders where share entitlements are not taken up or are not available', that certain retail premiums received by shareholders are assessable as either an unfranked dividend or as ordinary income, and not as capital gains.

However, TR 2012/1 states that it applies to schemes with certain features including where '[t]he Entitlements cannot be traded, transferred, assigned or otherwise dealt with by the shareholder or on behalf of the shareholder or anyone else'. As previously noted, the Entitlements issued by Tabcorp are tradeable on the ASX or may be transferred to another person.

It is not clear whether the position adopted by the Commissioner is correct at law or whether the tax treatment specified in TR 2012/1 is applicable to you. Nevertheless, you need to be aware that the Commissioner may seek to administer the law in a way which applies the tax treatment specified in TR 2012/1 to Entitlements sold via the Retail Shortfall Bookbuild and treat the Retail Premium as an unfranked dividend or ordinary income.

Under this tax treatment, the Retail Premium will be subject to tax on income account without the benefit of any tax offsets such as dividend imputation. Further, you will not be able to apply the CGT discount, nor be able to offset the Retail Premium with any capital losses.

Eligible Retail Shareholders who are considering allowing their Entitlements to be sold into the Retail Shortfall Bookbuild should consider selling their Entitlements on ASX or otherwise (refer to Section 4.1 above).

You are advised to obtain professional advice as to the taxation treatment of such proceeds.

Tabcorp may be obliged to withhold tax in relation to any Retail Premium on sale of your Entitlement under the Retail Shortfall Bookbuild unless you have provided your TFN or ABN.

If you are an Australian tax resident shareholder, and you have not previously provided your TFN or ABN to Tabcorp, you may wish to do so prior to the close of the Retail Entitlement Offer to ensure that withholding tax is not deducted from any Retail Premium payable to you at the rate of 49%. You are able to provide your TFN or ABN online with the Tabcorp Share Registry at [investorcentre.linkmarketservices.com.au](http://investorcentre.linkmarketservices.com.au). When providing your details online, you will be required to enter your Security Reference Number (SRN) or Holder Identification Number (HIN) as shown on your Issuer Sponsored/CHESS statements and other personal details such as your postcode.

### 4.3 Taking up of Entitlements

No income tax or CGT liability will arise on the taking up of your Entitlement.

If you take up all or part of your Entitlement you will acquire New Shares. The cost base of each New Share for CGT purposes will be equal to the Offer Price plus any non-deductible incidental costs you incur in acquiring New Shares.

New Shares will be taken to have been acquired on the day you exercise the Entitlement.

### 4.4 Dividends on New Shares as a result of Entitlements taken up

Any future dividends or other distributions made in respect of New Shares will be subject to the same income taxation treatment as dividends or other distributions made on existing Shares held in the same circumstances. As explained in this Retail Offer Booklet, the Special Dividend and the Interim Dividend are not payable on the New Shares.

### 4.5 Disposal of New Shares

The disposal of a New Share will constitute a disposal for CGT purposes.

On disposal of a New Share, you will make a net capital gain if the capital proceeds net of transaction fees on disposal exceed the total cost base of the New Share. You will make a net capital loss if the capital proceeds net of transaction fees are less than the total reduced cost base of the New Share. The cost base of New Shares is described above in Section 4.3.

Individuals, trustees or complying superannuation entities that have held New Shares for 12 months or more before the date of disposal should be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting capital losses). The CGT discount factor is 50% for individuals and trustees and 33 1/3% for complying superannuation entities.

New Shares will be treated for the purposes of the CGT discount as having been acquired when you exercise your Entitlement. Accordingly, in order to benefit from the CGT discount in respect of a disposal of those New Shares, New Shares must have been held for at least 12 months after the date of being taken up and before the disposal occurs.

If you make a capital loss, you can only use that loss to offset other capital gains from other sources (i.e. the capital loss cannot be used against taxable income on revenue account). However, if the capital loss cannot be used in a particular income year it can be carried forward to use in future income years, providing certain tests are satisfied.

### 4.6 Taxation of Financial Arrangements (TOFA)

The TOFA provisions operate to make assessable or deductible, gains or losses arising from certain 'financial arrangements' (importantly, the CGT discount is not available for any gain that is subject to the TOFA provisions).

An entitlement or right to receive a share is a 'financial arrangement'. However, depending on the circumstances of the particular taxpayer, the TOFA provisions may be effectively excluded from applying. Further, certain taxpayers (including many individuals) may be excluded from the application of the TOFA provisions unless they make a valid election for it to apply.

As the application of the TOFA provisions is dependent on the particular facts and circumstances of the taxpayer, you should obtain your own advice in relation to the potential applicability of the amendments contained in the TOFA provisions, in light of your own individual facts and circumstances.

### 4.7 Other Australian taxes

No Australian GST or stamp duty will be payable in respect of the issue, sale or taking up of Entitlements or the acquisition of New Shares.

# 5. ASX announcements

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**NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES**

5 February 2015

**Tabcorp announces a special dividend and capital raising**

Tabcorp Holdings Limited ("Tabcorp") today announced a special dividend of 30 cents per share, fully franked ("Special Dividend"), which equates to approximately \$230 million.

The Special Dividend is payable in addition to the interim dividend for the half year ended 31 December 2014 of 10 cents per share, fully franked ("Interim Dividend"). The payment date for the Special Dividend and the Interim Dividend is scheduled for Monday, 16 March 2015.

Existing shares on issue will be entitled to receive both the Interim Dividend and the Special Dividend, subject to the ex-dividend and record dates.

The Special Dividend will be paid out of retained earnings of Tabcorp and, to maintain Tabcorp's current balance sheet and capital position, will be funded through a pro-rata accelerated renounceable entitlement offer to raise approximately \$236 million ("Offer").

New shares issued through the Offer will not be entitled to either the Interim Dividend or the Special Dividend.

Tabcorp's Chairman, Ms Paula Dwyer, said: "Following the release of a strong interim financial result and good progress on a number of important strategic initiatives, we are pleased to announce a special dividend for our shareholders.

Tabcorp is committed to maximising value for its shareholders through strong operational performance, growth initiatives and effective capital management.

Tabcorp will maintain an active and disciplined approach to capital management for its shareholders and may consider other initiatives in the future.

The Offer we have announced today will ensure Tabcorp maintains its strong balance sheet and capital position."

The Dividend Reinvestment Plan will not operate in respect of the Interim Dividend or the Special Dividend.

**Summary of key Offer details**

- Fully underwritten pro-rata accelerated renounceable entitlement offer (with retail entitlements trading) to raise approximately \$236 million
- Entitlements offered on a 1 for 12 basis at \$3.70 per share to eligible shareholders
  - Implies a 13.1% discount to the theoretical ex-rights price ("TERP"),<sup>1</sup> adjusted for the impact of the Interim Dividend and Special Dividend

<sup>1</sup> TERP is a theoretical calculation only and the actual price at which Tabcorp shares trade immediately after the ex-date for the Offer will depend on many factors and may not be equal to TERP. TERP has been calculated with reference to Tabcorp's closing price on 4 February 2015, adjusted for the theoretical impact of payment of the interim and special dividends.

- Approximately 64 million New Shares to be issued (c. 8.3% of issued capital)
- Institutional Entitlement Offer is accelerated
- Retail offer open to eligible retail shareholders in Australia and New Zealand from Monday, 16 February 2015 to Monday, 2 March 2015
- Retail entitlements may be traded on ASX from Tuesday, 10 February 2015 to Monday, 23 February 2015
- New shares will rank equally with existing shares from the date of allotment, excluding the right to receive the Interim Dividend and Special Dividend

#### **The Offer**

The Offer comprises an accelerated institutional entitlement offer ("Institutional Entitlement Offer") and a retail entitlement offer that includes the ability to trade retail entitlements on the Australian Securities Exchange ("ASX") ("Retail Entitlement Offer").

Under the Offer, eligible shareholders are invited to subscribe for 1 new Tabcorp ordinary share for every 12 existing Tabcorp ordinary shares ("Entitlement") held as at 7.00pm, Australian Eastern Daylight Time ("AEDT") on Tuesday, 10 February 2015 ("Record Date").

New shares issued under the Offer will rank equally with existing shares from the date of allotment, excluding the right to receive the Interim Dividend and Special Dividend.

#### **Institutional Entitlement Offer**

Institutional shareholders determined by Tabcorp and the underwriter to be eligible will be invited to participate in the Institutional Entitlement Offer which will take place from Thursday, 5 February to Friday, 6 February 2015.

Eligible institutional shareholders to whom offers are made under the Institutional Entitlement Offer can choose to take up all, part or none of their Entitlement.

Institutional Entitlements cannot be traded on ASX. Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and institutional Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be sold through an institutional bookbuild on Monday, 9 February 2015 ("Institutional Shortfall Bookbuild"). Any proceeds from the sale of Entitlements under the Institutional Shortfall Bookbuild will be remitted proportionally to those institutional shareholders, less any applicable withholding tax. There is no guarantee that there will be any proceeds remitted to those institutional shareholders.

Tabcorp shares have been placed in trading halt whilst the Institutional Entitlement Offer and Institutional Shortfall Bookbuild are undertaken.

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### Retail Entitlement Offer

Eligible Retail Shareholders<sup>2</sup> will be invited to participate in the Retail Entitlement Offer at the same offer price and offer ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will open on Monday, 16 February and close at 5.00pm (AEDT) on Monday, 2 March 2015.

Eligible Retail Shareholders will be allotted Entitlements which can be traded on ASX. If they do not wish to take up all or part of their Entitlements, they can seek to sell all or part of their Entitlements on ASX or by transferring it directly to another person to realise value for those Entitlements ahead of the retail shortfall bookbuild ("Retail Shortfall Bookbuild"). Retail Entitlements can be traded on ASX from 10.00am (AEDT) Tuesday, 10 February to 4.00pm (AEDT) Monday, 16 February on a deferred settlement basis and from 10.00am (AEDT) Tuesday, 17 February to 4.00pm (AEDT) Monday, 23 February on a normal settlement basis.

Entitlements which are not taken up by Eligible Retail Shareholders by the close of the Retail Entitlement Offer and Entitlements that would otherwise have been offered to ineligible retail shareholders will be sold through the Retail Shortfall Bookbuild on Thursday, 5 March 2015. Any proceeds from the sale of Entitlements under the Retail Shortfall Bookbuild will be remitted proportionally to those retail shareholders, less any applicable withholding tax. There is no guarantee that there will be any proceeds remitted to those retail shareholders.

Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Retail Offer Booklet<sup>3</sup> and an accompanying personalised entitlement and acceptance form which are expected to be despatched on Monday, 16 February 2015. Copies of the Retail Offer Booklet will be available on ASX website and our website at [www.tabcorp.com.au](http://www.tabcorp.com.au) from Monday, 16 February 2015.

The Entitlements may only be exercised by Eligible Retail Shareholders, persons with a registered address in Australia or New Zealand and certain categories of investors in Canada (British Columbia, Ontario and Quebec), China (QDII only), Denmark, France, Germany, Hong Kong, Ireland, Italy, Japan, Luxembourg, Malaysia, the Netherlands, Norway, Singapore, Sweden, Switzerland, the United Kingdom, and United Arab Emirates (excluding DIFC).

In addition, Entitlements may only be purchased by persons meeting certain eligibility criteria that are set out in the Appendix to the investor presentation which Tabcorp has filed with ASX today. In particular, persons in the United States and persons acting for the account or benefit of a person in the United States will not be eligible to purchase or trade Entitlements on ASX or exercise or trade Entitlements purchased on ASX or transferred directly from another person.

It is the responsibility of purchasers of Entitlements to inform themselves of the eligibility criteria for exercise. If holders of Entitlements after the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Entitlements. If holders are not able to take up their Entitlements, those Entitlements will be sold into the Retail Shortfall Bookbuild and holders may receive no value for them.

<sup>2</sup> Eligible Retail Shareholders will be as defined in the Retail Offer Booklet

<sup>3</sup> The Retail Offer Booklet is an offer booklet in relation to the Retail Entitlement Offer and will be lodged with the Australian Securities Exchange and will be dispatched to Eligible Retail Shareholders on or around 16 February 2015

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**Indicative timetable<sup>4</sup>**

<b>Institutional Entitlement Offer</b>	<b>Date - 2015</b>
Announcement of equity raising and trading halt	Thursday, 5 February
Institutional Entitlement Offer opens	Thursday, 5 February
Institutional Entitlement Offer closes	Friday, 6 February
Institutional Shortfall Bookbuild	Monday, 9 February
Trading halt lifted	Tuesday, 10 February
Record date for eligibility in the Institutional Entitlement Offer	7.00pm, Tuesday, 10 February
Settlement of Institutional Entitlement Offer	Tuesday, 17 February
Issue and quotation of New Shares under the Institutional Entitlement Offer	Wednesday, 18 February

<b>Retail Entitlement Offer</b>	<b>Date - 2015</b>
Record date for eligibility in the Retail Entitlement Offer	7.00pm, Tuesday, 10 February
Retail Entitlements commence trading on ASX on a deferred settlement basis	Tuesday, 10 February
Retail Entitlements allotted	Monday, 16 February
Retail Entitlement Offer opens	Monday, 16 February
Retail Offer Booklet despatched	Monday, 16 February
Retail Entitlements commence trading on ASX on a normal settlement basis	Tuesday, 17 February
Retail Entitlements trading on ASX ends	Monday, 23 February
New Shares under the Retail Entitlement Offer commence trading on ASX on a deferred settlement basis	Tuesday, 24 February
Retail Entitlement Offer closes	Monday, 2 March
Retail Shortfall Bookbuild (after market close)	Thursday, 5 March
Settlement of the Retail Entitlement Offer	Thursday, 12 March
Issue of New Shares under the Retail Entitlement Offer	Friday, 13 March
New Shares under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	Monday, 16 March
Holding statements sent to retail shareholders	Tuesday, 17 March
Retail premium (if any) despatched	Wednesday, 18 March

<b>Special Dividend and Interim Dividend</b>	<b>Date - 2015</b>
Announcement of Special Dividend and Interim Dividend	Thursday, 5 February
Ex-date for Special Dividend and Interim Dividend	Friday, 6 March
Record date for Special Dividend and Interim Dividend	7.00pm, Wednesday, 11 March
Payment of Special Dividend and Interim Dividend	Monday, 16 March

The above timetable is indicative only and subject to change. All times represent Australian Eastern Daylight Time. Tabcorp reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. In particular, Tabcorp reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases), and to withdraw the Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares. The commencement of quotation and trading of Entitlements and New Shares is subject to confirmation from ASX.

<sup>4</sup> Timetable subject to variation and, in relation to retail entitlement trading, receipt of an ASIC modification

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### Shareholder Enquiries

Eligible Retail Shareholders will be sent further details about the Offer via a shareholder letter to be despatched on or around Monday, 9 February 2015 and a Retail Offer Booklet to be lodged with ASX on Monday, 16 February 2015 and despatched on or around the same date.

Retail shareholders who have questions relating to the Retail Entitlement Offer should call the Tabcorp Shareholder Information line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) from 8.30am to 5.30pm (AEDT) Monday to Friday or go to our website [www.tabcorp.com.au](http://www.tabcorp.com.au).

Further information in relation to the Offer described in this announcement is set out in an investor presentation which Tabcorp has filed with ASX today. The investor presentation contains important information including key risks, key assumptions relating to certain forward looking information in this announcement and foreign selling restrictions with respect to the Offer.

### Important Information

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

### NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to persons acting for the account or benefit of persons in the United States. Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements and the New Shares may not be offered or sold to persons in the United States or to persons who are acting for the account or benefit of persons in the United States, unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Neither this announcement nor any other documents relating to the offer of Entitlements or New Shares may be sent or distributed to persons in the United States.

This announcement contains forward-looking statements, which can usually be identified by the use of words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or words of similar effect. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Tabcorp, and which may cause actual outcomes to differ materially from those expressed in the statements contained in this announcement. Undue reliance should not be placed on these forward-looking statements. These forward-looking statements are based on information available to Tabcorp as of the date of this announcement. Except as required by law or regulation (including ASX Listing Rules) Tabcorp undertake no obligation to update these forward-looking statements.

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For personal use only

# Media Release

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For more information:  
Financial analysts: Lachlan Fitt, GM Investor Relations and Strategy, 02 9218 1414  
Media: Nicholas Tzaferis, GM Corporate Affairs, 03 9868 2529

# Tabcorp Holdings Limited

ABN 66 063 780 709

\* \* \* \* \*

## Special dividend and equity raising

5 February 2015



NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

# Disclaimer

This Presentation has been prepared by Tabcorp Holdings Limited (ABN 66 063 780 709) (**Tabcorp**).

## Summary information

This Presentation contains summary information about the current activities of Tabcorp and its subsidiaries (**Tabcorp Group**). The information in this Presentation does not purport to be complete nor does it contain all the information which would be required in a prospectus or other disclosure document prepared in accordance with the requirements of the *Corporations Act 2001* (Cth). It should be read in conjunction with Tabcorp Group's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (**ASX**), which are available at [www.asx.com.au](http://www.asx.com.au). Except as required by law or regulation (including the ASX Listing Rules), Tabcorp undertakes no obligation to update the 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.

## Not an offer

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. In particular, this Presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any person who is acting for the account or benefit of a person in the United States. This document may not be distributed or released in the United States. The securities in the proposed offering have not been and will not be registered under the U.S. Securities Act, or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the securities in the proposed offering may not be offered or sold, directly or indirectly, to persons in the United States or to, or for any person who is acting for the account or benefit of a person in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable securities laws of any state or other jurisdiction of the United States.

## Not financial product advice

This Presentation is not a recommendation to acquire Tabcorp shares. The information provided in this Presentation is not financial product advice, or investment, legal, tax or other 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 recipient may require in order to make an investment decision regarding Tabcorp shares.

Tabcorp is not licensed to provide financial product advice in respect of Tabcorp shares. Cooling off rights do not apply to the acquisition of Tabcorp shares.

Before making an investment decision, prospective investors should conduct their own independent investigation and assessment of the information contained in this Presentation (as well as the additional information available regarding Tabcorp, as referred to under the heading 'Summary information' above).

## Key risks

An investment in Tabcorp is subject to investment risks including possible loss of income and principal invested. Recipients should read the 'Key risks' section of this Presentation for a non-exhaustive summary of the key risks that may affect the Tabcorp Group and its financial and operating performance.

# Disclaimer

## Financial data

All dollar values are in Australian dollars (A\$) and financial data is presented with a financial year end of 30 June unless otherwise stated. The pro forma historical financial information included in this Presentation does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission.

The historical information in this Presentation is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX.

## Basis of Preparation

The Tabcorp directors are responsible for the preparation and presentation of the financial information. The financial information has been prepared in accordance with the measurement and recognition requirements contained in Australian Accounting Standards (AAS). The financial information is prepared in a manner consistent with the recognition and measurement requirements of the AAS other than that it includes adjustments which have been prepared in a manner consistent with AAS, that reflect the impact of certain transactions described in this Presentation as if they occurred as at 31 December 2014 in the financial information.

The financial information has been derived from the financial statements for the half year ended 31 December 2014. The financial information is presented in an abbreviated form and does not contain all the disclosures, presentation, statements or comparative information that are usually provided in an annual financial report prepared in accordance with the Corporations Act. Tabcorp's summary of significant accounting policies is disclosed in the audited financial statements of Tabcorp for the year ended 30 June 2014, available on the ASX website at [www.asx.com.au](http://www.asx.com.au).

## Future performance

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. Specific risks and factors that could cause Tabcorp's performance to differ materially from those described in the forward-looking statements are referred to in the 'Key risks' section of this Presentation. 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

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.

## Information and liability

Neither the underwriter of the Offer referred to in this Presentation, nor any of its or Tabcorp's respective advisers or any of their respective affiliates, related bodies corporate, directors, officers, partners, employees and agents, have authorised, permitted or caused the issue, submission, dispatch or provision of this Presentation and, except to the extent referred to in this Presentation, none of them makes or purports to make any statement in this Presentation and there is no statement in this Presentation which is based on any statement by any of them.

To the maximum extent permitted by law, Tabcorp, the underwriter and their respective advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents exclude and disclaim all liability (including without limitation for negligence) for any expenses, losses, damages or costs incurred by as a result of participation in the Offer or the information in this Presentation being inaccurate or incomplete in any way for any reason.

To the maximum extent permitted by law, Tabcorp, the underwriter and their respective advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of information in this Presentation and take no responsibility for any part of this Presentation.

The underwriter and its advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents take no responsibility for the Offer and make no recommendations as to whether any person should participate in the Offer nor do they make any representations or warranties concerning the Offer.

# Agenda

- 1. Capital management initiatives**
- 2. Special dividend**
- 3. Equity raising**
- 4. Pro-forma group balance sheet**
- 5. Indicative timetable**

**Appendix A – Key risks**

**Appendix B – International selling restrictions**

**Appendix C – Restrictions on eligibility to exercise or trade entitlements**

# Capital management initiatives

- In conjunction with the release of its 1H15 results, Tabcorp has declared an interim dividend of 10.0 cents per share, fully franked ("Interim Dividend")
  - FY15 target ordinary dividend payout ratio of 90% of NPAT before significant items
- Tabcorp has also declared a special dividend of 30.0 cents per share, fully franked ("Special Dividend")
  - Payable in addition to the 10.0 cents per share Interim Dividend
- Existing shares on issue will be entitled to receive both the Interim Dividend and the Special Dividend, subject to the ex-dividend and record dates
- The Special Dividend will be paid out of retained earnings of Tabcorp and, to maintain Tabcorp's current balance sheet and capital position, will be funded through a pro-rata accelerated renounceable entitlement offer to raise approximately \$236 million ("Offer")
  - New shares issued through the Offer will not be entitled to the Interim Dividend or the Special Dividend
  - Pro-rata accelerated renounceable entitlement offer (with retail entitlements trading)
  - Fully underwritten
- Tabcorp will maintain an active and disciplined approach to capital management for its shareholders and may consider other initiatives in the future

# Special Dividend

## Special Dividend

- Special Dividend of 30.0 cents per share, fully franked
- Payable in addition to the Interim Dividend of 10.0 cents per share, fully franked

## Key dividend dates

- Key dates for the Special Dividend are the same as for the Interim Dividend:
  - Ex-dividend date is 6 March 2015
  - Record date is 7.00pm (AEDT), 11 March 2015
  - Payment date is 16 March 2015

## Entitlements to dividends

- Existing shares will be entitled to receive both the Interim Dividend and Special Dividend, subject to the ex-dividend and record dates above
- New shares issued through the Offer will not be entitled to either dividend

## DRP

- The DRP will not operate in respect of the Interim Dividend or Special Dividend

# Equity raising

## Offer size and pricing

- Fully underwritten pro-rata accelerated renounceable entitlement offer (with retail entitlements trading) to raise approximately \$236 million
- Entitlements offered on a 1 for 12 basis at \$3.70 per share to eligible shareholders
  - Implies a 13.1% discount to the theoretical ex-rights price ("TERP")<sup>1</sup>, adjusted for the impact of the Interim Dividend and Special Dividend
  - Approximately 64 million new shares to be issued (c. 8.3% of issued capital)
- Shares issued under the Offer will not be entitled to the Interim Dividend or Special Dividend

## Use of proceeds and rationale

- To maintain Tabcorp's current balance sheet and capital position, the net Offer proceeds will be used to fund the payment of the Special Dividend
- Tabcorp is committed to maintaining an active and disciplined approach to capital management for its stakeholders, and may consider other initiatives in the future

1. TERP of \$4.26 per share. TERP is a theoretical calculation only and the actual price at which Tabcorp shares trade immediately after the ex-date for the offer will depend on many factors and may not be equal to TERP. TERP has been calculated with reference to Tabcorp's closing price on 4 February 2015, adjusted for the theoretical impact of payment of the Interim Dividend and the Special Dividend.

# Equity raising

## Institutional offer

- Institutional offer open to eligible institutional shareholders from 5 to 6 February 2015 <sup>1</sup>
- Institutional entitlements not taken up and entitlements of ineligible institutional shareholders will be placed into the institutional shortfall bookbuild (to be conducted on 9 February 2015)

## Retail offer

- Retail offer open to eligible retail shareholders in Australia and New Zealand from 16 February 2015 to 2 March 2015
- Retail entitlements trade on ASX from 10 to 23 February 2015 <sup>2</sup>
- Retail entitlements not taken up and entitlements that would otherwise have been issued to ineligible retail shareholders will be placed into the retail shortfall bookbuild (to be conducted on 5 March 2015)

## Ranking

- New shares will rank equally with existing shares from the date of allotment, excluding the right to receive the Interim Dividend and Special Dividend

## Record date

- 7:00pm (AEDT), 10 February 2015

1. All dates and times are indicative only and subject to change.
2. Refer to page 26 for restrictions on eligibility criteria to trade and exercise entitlements.

# Pro-forma group balance sheet

## Pro-forma Tabcorp group balance sheet following the equity raising and Special Dividend

A\$m	31 December 2014	Adjustments <sup>1</sup>	Pro-forma 31 December 2014
Cash and cash equivalents	117.1	-	117.1
Property, plant and equipment	315.5	-	315.5
Other assets	2,815.8	-	2,815.8
<b>Total assets</b>	<b>3,248.4</b>	<b>-</b>	<b>3,248.4</b>
Gross debt	1,191.8	(0.1)	1,191.7
Other liabilities	512.6	-	512.6
<b>Total liabilities</b>	<b>1,704.4</b>	<b>(0.1)</b>	<b>1,704.3</b>
<b>Net assets / equity</b>	<b>1,544.0</b>	<b>0.1</b>	<b>1,544.1</b>
Net debt	1,074.7	(0.1)	1,074.6

1. Assumes proceeds from the entitlement offer of approximately \$236 million based on the offer price (less assumed transaction costs of \$6 million) and payment of a 30.0 cents per share Special Dividend (\$230 million). Excludes the impact of the FY15 Interim Dividend and other events, which have occurred since 31 December 2014

# Indicative timetable

Event	Date – 2015 <sup>1</sup>
Announcement of the Offer, institutional offer opens	Thursday, 5 February
Institutional offer closes	Friday, 6 February
Institutional shortfall bookbuild	Monday, 9 February
Shares re-commence trading on ASX	Tuesday, 10 February
Record date of Offer	7:00pm (AEDT), Tuesday, 10 February
Retail rights trading period	Tuesday, 10 February – Monday, 23 February
Retail offer period	Monday, 16 February – Monday, 2 March
Institutional settlement	Tuesday, 17 February
Institutional allotment and quotation	Wednesday, 18 February
Retail shortfall bookbuild	Thursday, 5 March
Ex-date for Interim Dividend and Special Dividend	Friday, 6 March
Record date for Interim Dividend and Special Dividend	7:00pm (AEDT) Wednesday, 11 March
Settlement of retail offer shortfall	Thursday, 12 March
Allotment of retail offer	Friday, 13 March
Quotation of retail shares	Monday, 16 March
Payment of Interim Dividend and Special Dividend	Monday, 16 March
Holding statements despatched	Tuesday, 17 March

1. All dates and times are indicative only and subject to change, and, in relation to retail entitlement trading, receipt of an ASIC modification

# Agenda

1. Capital management initiatives
2. Special dividend
3. Equity raising
4. Pro-forma group balance sheet
5. Indicative timetable

**Appendix A – Key risks**

**Appendix B – International selling restrictions**

**Appendix C – Restrictions on eligibility to exercise or trade entitlements**

# Appendix A - Key risks

This section discusses some of the key risks attaching to an investment in Tabcorp. Before investing in Tabcorp, you should consider whether this investment is suitable for you. Potential investors should consider publicly available information on Tabcorp (such as that available on the website of ASX), carefully consider their personal circumstances and consult their professional advisers before making an investment decision.

## Regulation and changes to the regulatory environment

### General

The activities of the Tabcorp Group are conducted in highly regulated industries. The gambling activities that members of the Tabcorp Group conduct, and will conduct, and the level of competition that they experience, and will experience, depend to a significant extent on:

- the licences granted to the Tabcorp Group and to third parties; and
- government policy and the manner in which the relevant governments exercise their broad powers in relation to the manner in which the relevant businesses are conducted.

Changes in legislation, regulation or government policy may have an adverse impact on the Tabcorp Group's operational and financial performance. Court decisions concerning the constitutionality or interpretation of such legislation, regulations or government policy may have an adverse effect on the operational and financial performance of the Tabcorp Group. Potential changes, which would potentially negatively affect the value of the licences granted to members of the Tabcorp Group, and potentially the Tabcorp Group's financial performance, include:

- changes in state wagering, Keno or other gambling tax rates and levies;
- changes or decisions concerning race fields and sports product fees, advertising restrictions and the distribution of gambling products, including through particular channels;
- changes impacting on aspects of retail exclusivity;
- variations to permitted deduction rates and returns to players;
- variations to arrangements for racing industry funding in Victoria and New South Wales;
- changes to the conditions in which venues offering products of members of the Tabcorp Group must operate;
- the introduction of additional legislation to guard against money laundering;
- the introduction of further legislation to implement further responsible gambling measures;
- changes or decisions by government or industry concerning wagering, Keno or other forms of gambling; and
- any other legislative change.

Any non-renewal of licences currently held by members of the Tabcorp Group, or the issue of additional wagering, Keno or other gambling licences to third parties, would potentially result in the Tabcorp Group not generating the revenue it currently generates from its licences, which could adversely impact the Tabcorp Group's financial performance and financial position.

### Changes to the regulatory environment generally

Changes to the regulatory environment in some of the jurisdictions in which the Tabcorp Group operates which have been made or foreshadowed and which may have an adverse effect on the operational and financial performance of the Tabcorp Group include the expansion throughout Australia of sports product fees or increases in those fees for sports betting operators. This risk, and the similar race fields fee risk, are detailed below.

### Deregulation

The rapid deregulation of the national wagering market has seen a dramatic growth in market share by the corporate bookmakers, mostly located in the Northern Territory, and the introduction of race fields fees legislation across Australia (which allows racing codes in a state to charge wagering operators for the use of race fields information, irrespective of the domicile of the operator). This rapid deregulation has the potential to have an adverse impact on the Tabcorp Group's earnings in the short term as market changes continue. Tabcorp continually adjusts its wagering business model to take account of the changed market dynamics and to mitigate the adverse consequences of deregulation.

# Appendix A - Key risks

## **Disciplinary action and cancellation of licences**

In certain situations (including, potentially, if the Tabcorp Group fails to meet the terms and conditions of its licences or other compliance requirements), the licences and authorisations that have been granted to members of the Tabcorp Group (including the Victorian Wagering and Betting Licence, the Victorian, Australian Capital Territory, New South Wales and Queensland Keno Licences, the New South Wales and Australian Capital Territory totalizator and sports bookmaking licences and the Northern Territory sports bookmaking licence) may be suspended, terminated or cancelled. As at the date of this Presentation, no member of the Tabcorp Group has been advised of the existence of any circumstance which is likely to give rise to the termination, suspension or cancellation of any of those licences.

The suspension, cancellation or termination of any of the key licences or authorisations held by a member of the Tabcorp Group would potentially result in a loss of revenue and profit for the Tabcorp Group, which would adversely affect the Tabcorp Group's financial performance and financial position.

## **Compliance risks**

Any failure by members of the Tabcorp Group to meet compliance standards, values and systems at operational levels may increase exposure to a compliance failure, potentially leading to the suspension or loss of applicable gambling licences, in addition to other civil or criminal penalties.

## **Consequences of breach of shareholding restrictions**

There are a number of restrictions on shareholdings in Tabcorp which arise under legislation or due to the requirements of various regulatory authorities.

Under the Gambling Regulation Act 2003 (Vic), there are general provisions in relation to approvals that are required before a person becomes an "associate" of Tabcorp. A person will be an "associate" of Tabcorp where (among other things) that person has a share in the capital of Tabcorp and, by virtue of that shareholding, is able to exercise a significant influence over the management or operation of the Tabcorp business. The Gambling Regulation Act 2003 (Vic) also contains provisions to the effect that, where the Minister considers that a person is not suitable to be associated with the gambling business of Tabcorp, the Minister has the power to declare that that person dispose of the number of shares held that would need to be disposed of in order to cause that person to cease to be an "associate" of Tabcorp.

Further, under the Totalizator Act 1997 (NSW) and the Totalizator Agency Board Privatisation Act 1997 (NSW), shareholding restrictions prohibit anyone being entitled to more than 10% of Tab Limited's issued voting shares (subject to certain exceptions).

## **Accounting Impairment**

At each reporting date, the Tabcorp Group assesses whether there is any indication that an asset may be impaired, and, where an indicator of impairment exists, makes a formal estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to the recoverable amount.

Adverse changes in assumptions or outcomes in respect of race fields or sports product fees, retail exclusivity, competition or other risk factors, as well as new developments that are not currently apparent, could trigger an impairment and have a negative impact on the reported financial results of the Tabcorp Group.

## **Minimum financial performance arrangements under Victorian joint venture**

Pursuant to arrangements entered into by the Tabcorp Group in connection with the Victorian Wagering and Betting Licence, certain minimum financial performance arrangements have applied in favour of the Victorian racing industry in respect of the financial years ended 30 June 2013 and 30 June 2014 and apply to the financial year ending 30 June 2015. In summary, if the aggregate amounts received or receivable by the relevant Victorian racing industry entities in respect of FY13, FY14 and FY15 are less than \$1 billion, a member of the Tabcorp Group will be required to make a payment to a Victorian racing industry entity equal to the difference between the actual amounts received or receivable by the relevant Victorian racing industry entities and \$1 billion. The payment obligations of the Tabcorp Group pursuant to these minimum financial performance arrangements may be reduced in certain circumstances, to take account of the occurrence of matters or circumstances which are beyond the reasonable control of the Tabcorp Group where the matter or circumstance has directly caused a reduction in the amounts which otherwise would have been received or receivable by the relevant Victorian racing industry entities from the joint venture and associated arrangements. If the Tabcorp Group is required to make a payment to a Victorian racing industry entity, this may have an adverse effect on the financial position and financial performance of the Tabcorp Group.

# Appendix A - Key risks

## Future dividends and franking capacity

No assurances can be given in relation to the payment of future dividends. Future determinations as to the payment of dividends by Tabcorp will be at the discretion of the directors at the time and will depend upon the availability of profits, the operating results and financial condition of Tabcorp, future capital requirements, covenants in relevant financing agreements, general business and financial conditions and other factors considered relevant by the directors. No assurances can be given in relation to the level of franking of future dividends. Franking capacity will depend upon the amount of tax paid in the future, the existing balance of franking credits and other factors.

## Investigations

From time to time members of the Tabcorp Group may be subject to various regulatory investigations such as tax compliance investigations carried out by the Australian Taxation Office (ATO) or other Federal or State regulatory bodies including the Australian Competition and Consumer Commission (ACCC) and the Australian Transaction Reports and Analysis Centre (AUSTRAC). The outcome of these investigations from time to time may have an adverse effect on the financial performance of the Tabcorp Group. There is also the risk that the Tabcorp Group's reputation may suffer due to public scrutiny surrounding any such investigations regardless of their outcome.

## Litigation and disputes

From time to time, members of the Tabcorp Group become involved in litigation and disputes. While Tabcorp believes it has made appropriate provisions in respect of such litigation and disputes, there is a risk that the resolution of such litigation and disputes may result in those provisions being exceeded. There is also the risk that the Tabcorp Group's reputation may suffer due to the profile and public scrutiny surrounding any such litigation and disputes regardless of their outcome. Further, there is a risk that where litigation or disputes arise between a member of the Tabcorp Group and third parties with whom the Tabcorp Group maintains an ongoing relationship, there may be an adverse effect on such relationships.

## Divestiture of shares in subsidiaries

In certain circumstances, the New South Wales Minister responsible for administering the NSW Totalizator Act (NSW Racing Minister) can compel the divestiture by relevant members of the Tabcorp Group of shares in Tab Limited. Those circumstances might include a change in the shareholders or directors of Tabcorp or in the circumstances applicable to Tabcorp. For example, if a change in the shareholders or directors or circumstances of Tabcorp was considered by the NSW Racing Minister to result in Tabcorp ceasing to be a suitable person to be associated with Tab, an action by the NSW Racing Minister might result in the Tabcorp Group ceasing to own the New South Wales wagering businesses conducted by Tab and its subsidiaries.

The potential for the Tabcorp Group to be required to dispose of shares in the companies holding any of its businesses may have an adverse effect on the operational and financial performance of the Tabcorp Group.

## Computer system risks

The Tabcorp Group places, and will continue to place, significant reliance on its computer systems and related infrastructure for ongoing operations. A prolonged failure of the computer systems and/or related infrastructure operated by the Tabcorp Group and supporting any of its businesses would result in a significant loss of revenue and profit to the Tabcorp Group and may have an adverse effect on the operational and financial performance of the Tabcorp Group.

## Competition

In a broad sense, gambling activities compete with other consumer products for consumers' discretionary expenditure and, in particular, with other forms of leisure and entertainment including cinema, restaurants, sporting events, the internet and pay television.

Further, the Tabcorp Group's wagering business currently competes with bookmakers in Victoria and New South Wales and other interstate and international wagering operators who accept bets over the telephone or internet (such as corporate bookmakers based in the Northern Territory and betting exchanges). The internet and other new forms of distribution have allowed new competitors to enter the Tabcorp Group's traditional markets of Victoria and New South Wales without those competitors being licensed in those states. Further, recent court decisions, the significant relaxation of advertising laws (or the way in which they have been administered) and the increasing application of competition policy have allowed other wagering operators to gain greater freedom to compete nationally.

Competition from the interstate and international operators may extend to the Tabcorp Group's retail wagering network.

Equally, the Tabcorp Group's Keno and TGS businesses each face competition in their respective industries.

If the Tabcorp Group does not adequately respond to the competition which it faces, there may be a change in consumer spending patterns which may have an adverse effect on the operational and financial performance of the Tabcorp Group.

# Appendix A - Key risks

## Racing products

The Tabcorp Group's wagering business is reliant on the Victorian, New South Wales and other interstate racing industries providing a program of events for the purposes of wagering. A significant decline in the quality or number of horses or greyhounds, or number of events, or the occurrence of an event which adversely impacts on the Australian racing industry or any State or Territory racing industry, or which otherwise disrupts the scheduled racing program (such as an outbreak of equine influenza or other equine pandemic), would have a significant adverse effect on wagering revenue and may have an adverse effect on the operational and financial performance of the Tabcorp Group.

## NSW fixed odds wagering on racing

Tab's ability to continue to offer fixed odds wagering on racing in NSW is subject to approval by Racingcorp Pty Limited. Withdrawal of this approval is a risk. If Racingcorp Pty Limited did withdraw its approval, this would result in a reduction in the amount of revenue and profit that the Tabcorp Group generates from fixed odds wagering on racing in NSW.

## Race field and sports product fees

Each State or Territory of Australia (except for the Northern Territory) has implemented race fields arrangements, under which each state's racing industry charges wagering operators product fees for use of that industry's race fields information. Consequently, the Tabcorp Group is required to pay product fees to the relevant racing controlling body. Similarly, legislation has been introduced or proposed in various jurisdictions to support the imposition by sports controlling bodies of fees payable by wagering operators betting on relevant sporting events. In 2014, some bodies introduced new fee models and rates which have increased the expenses of the wagering business. There is also the potential for further increases in, or the introduction of new, such fees which may have an adverse effect on the operational and financial performance of the Tabcorp Group.

## Sky Channel arrangements

Sky Channel requires and holds rights to broadcast various race meetings and other sporting events held throughout Australia and internationally. Certain of the contracts pursuant to which these broadcast rights are held have expired or will expire and new contracts are being negotiated or will require renegotiation. In particular, as at the date of this Presentation, arrangements with rights holders for Victorian thoroughbred racing are being negotiated. If, for any reason, the Tabcorp Group is unable to renegotiate any of its key broadcast arrangements or to renegotiate them on materially the same or similar terms, then this may impact the operational and financial performance of the Tabcorp Group's wagering business.

## Satellite risks

There is a risk that the satellites through which Sky Channel broadcasts cannot receive or transmit signals at any particular time, thereby potentially impacting wagering and sports betting revenue. Sky Channel does not have third party insurance covering this risk as its cost is considered prohibitive, however, it has in-principle agreement, and the necessary technical facilities in place, that back-up satellite access would be made available with an alternative provider.

There is nevertheless still a risk of a loss of broadcast coverage if Sky Channel is required to switch from one satellite to another in the event of malfunction.

## Employee matters

The Tabcorp Group is reliant upon a number of key senior personnel and the loss of such personnel may have an impact on the performance of the Tabcorp Group. The Tabcorp Group's continued success also depends on its ability to attract and retain qualified and highly skilled management and personnel. As with most other businesses, from time to time it may be difficult for the Tabcorp Group to hire and retain key personnel, and key Tabcorp Group personnel may be sought and hired by competitors of the Tabcorp Group.

# Appendix A - Key risks

## Availability and servicing of debt finance

From time to time, the Tabcorp Group will be required to refinance its debt facilities. There is no certainty as to the availability of debt facilities or the terms on which such facilities may be provided to the Tabcorp Group in the future. The Tabcorp Group's ability to refinance its debt on acceptable terms as it becomes due or to repay the debt, its ability to raise further finance on favourable terms for its businesses and to pursue opportunities and its borrowing costs will depend on market conditions and the Tabcorp Group's future operating performance. In particular, the Tabcorp Group may incur higher interest rates and/or additional fees associated with future debt refinancing. If the Tabcorp Group is unable to refinance its debt obligations, or to do so on reasonable terms, this may have an adverse effect on the financial position and performance of the Tabcorp Group and Tabcorp's ability to meet its financial obligations.

The Tabcorp Group's ability to service its debt will depend on its future financial performance and if it is unable to do so, lenders to the Tabcorp Group may act to enforce their rights against it, which may impact the Tabcorp Group's financial or operating performance.

## Risks associated with the current global economic environment

General economic factors may affect an investment in Tabcorp or the performance of Tabcorp. Some of these include:

- movements in Australian and international stock markets, changes in interest rates, inflation and inflationary expectations and overall economic and political conditions may affect the demand for and market price of Tabcorp;
- changes in government legislation and policy, in particular taxation laws, may affect the relative attractiveness of investing in Tabcorp; and
- the price of securities on ASX may rise or fall due to a diverse range of non-company specific influences which may affect the market performance of the Tabcorp Group.

None of Tabcorp, its directors or any other person guarantees the market performance of the Tabcorp Group.

The Australian and global economies continue to experience challenging conditions. Any further deterioration in the Australian or global economies may have an adverse effect on the financial position and performance of the Tabcorp Group.

Further, the effect of these conditions on the Tabcorp Group's ability to refinance its debt obligations, and the terms on which any such refinancing can be obtained, is uncertain. If these conditions result in the Tabcorp Group being unable to refinance its debt obligations, or to do so on reasonable terms, this may have an adverse effect on the financial position and performance of the Tabcorp Group.

The operational and financial performance and position of the Tabcorp Group may be adversely affected by the worsening of general economic conditions in Australia, as well as international market conditions and related factors. It is also possible new risks might emerge as a result of markets experiencing extreme stress or existing risks may manifest themselves in ways that are not currently foreseeable.

# Appendix A - Key risks

## Underwriting risk

The underwriting agreement relating to the Offer the subject of this Presentation sets out various events, the occurrence of which will entitle the underwriter to terminate the underwriting agreement. Accordingly, there is a risk that the underwriter may terminate its obligations under the underwriting agreement if any such events occur. These events include:

- the materials released by Tabcorp in relation to the Offer being, or becoming, false, misleading or deceptive or Tabcorp engaging in misleading and deceptive conduct in connection with the Offer;
- the S&P/ASX 200 Index closing 12.5% below its level prior to announcement of the Offer on 2 consecutive business days (or on a day before a settlement date under the Offer);
- a material delay occurring in the timetable for the Offer;
- ASIC commencing some regulatory investigation, hearing, inquiry, prosecution or proceeding in relation to the Offer (or gives notice of an intention to do so);
- suspension of trading in Tabcorp shares on ASX occurring without the underwriter's approval, or delisting or removal from official quotation on ASX of Tabcorp occurring;
- a material adverse change occurring, or an event occurring which is likely to give rise to a material adverse change, in the assets or liabilities, financial position or performance, profits or losses or prospects of the Tabcorp Group;
- a material breach by Tabcorp of a material financing arrangement occurring, or any financier seeking to withdraw or accelerate material debt finance commitments;
- a breach of the underwriting agreement by Tabcorp occurring;
- a Tabcorp Group member becoming insolvent;
- a change in relevant law occurring;
- an outbreak of new hostilities or a major escalation in existing hostilities occurring, or a major terrorist attack or declaration of national emergency occurring, involving any of Australia, New Zealand, United States of America, Japan, United Kingdom, the People's Republic of China or any member state of the European Union;
- a general moratorium on commercial banking activities in Australia, the United States or the United Kingdom occurring;
- a suspension or material interruption in trading of securities on ASX, the New York Stock Exchange or the London Stock Exchange occurring;
- an adverse change or disruption in financial markets or economic conditions of Australia, the United States, the United Kingdom or the international financial markets occurring, or any change occurring in national or international financial or economic conditions;
- a government agency that regulates the Tabcorp Group commencing some regulatory investigation, hearing, prosecution or proceeding in relation to the Tabcorp Group or any of its directors, officers employees or agents (or giving notice of an intention to do so);
- a Tabcorp director being charged with a criminal offence relating to any financial or corporate matter, or a Tabcorp director being disqualified from managing a corporation; and
- a change in the board of directors of Tabcorp occurring.

The ability of the underwriter to terminate the underwriting agreement in respect of some events will depend upon whether the event:

- has or is likely to have a material adverse effect on the success, marketing or settlement of the Offer, the likely market price of Tabcorp shares, or the willingness of investors to subscribe for Tabcorp shares under the Offer; or
- has given or is likely to give rise to a contravention by the underwriter of, or the underwriter being involved in a contravention of, any applicable law, or a liability of the underwriter under any applicable law.

# Appendix A - Key risks

## Renouncement risk

If a Tabcorp shareholder does not take up their entitlement under the Offer, there is no guarantee that any value will be received for their renounced entitlement through the relevant bookbuild processes under the Offer or (in the case of eligible retail shareholders) that they will be able to receive any value through selling their entitlements on ASX or otherwise transferring them.

The ability to sell entitlements under the institutional or retail bookbuild processes under the Offer and the ability to obtain any premium will be dependent upon various factors, including market conditions. Further, the relevant bookbuild price may not be the highest price available, but will be determined having regard to a number of factors, including having binding and bona fide offers which, in the reasonable opinion of the underwriter, will, if accepted, result in otherwise acceptable allocations to clear the entire book. Similarly, for eligible retail shareholders, there is no guarantee that there will be a liquid market on ASX or otherwise in traded entitlements, and prices obtainable for entitlements may rise and fall over the trading period and will depend on many factors including the demand for and supply of entitlements and the value of Tabcorp shares relative to the Offer price.

To the maximum extent permitted by law, none of Tabcorp, the underwriter, their respective related bodies corporate and affiliates and their respective directors, officers, employees, agents and advisers will be liable (including for negligence) for any failure to procure subscribers under either bookbuild at a price equal to or in excess of the Offer price.

Shareholders who do not participate in the Offer, or take up only part of their entitlement, will have their percentage holding in Tabcorp reduced.

## Credit rating

Tabcorp has obtained a rating from a credit rating agency which could be reviewed, suspended, withdrawn or downgraded. The rating agency could also change the methodologies by which it rates Tabcorp. Tabcorp's cost of funds, margins, access to capital markets and other aspects of its performance may also be affected if it fails to maintain its credit rating.

## Other risks

The above risks should not be taken as a complete list of the risks associated with an investment in Tabcorp. The risks outlined above and other risks not specifically referred to may in the future materially adversely affect the value of Tabcorp shares and their performance. Accordingly, no assurance or guarantee of future performance or profitability is given by Tabcorp in respect of Tabcorp shares.

# Agenda

1. Capital management initiatives
2. Special dividend
3. Equity raising
4. Pro-forma group balance sheet
5. Indicative timetable

**Appendix A – Key risks**

**Appendix B – International selling restrictions**

**Appendix C – Restrictions on eligibility to exercise or trade entitlements**

## Appendix B - International selling restrictions

This Presentation does not constitute an offer of entitlements ("Entitlements"), or of new ordinary shares ("New Shares") of Tabcorp Holdings Limited ("Tabcorp"), in each case that are the subject of the Offer referred to in this Presentation in any jurisdiction in which it would be unlawful. In particular, this Presentation may not be distributed to any person, and the Entitlements and New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

### Canada (British Columbia, Ontario and Quebec provinces)

This Presentation constitutes an offering of Entitlements and New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This Presentation is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This Presentation may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – *Prospectus and Registration Exemptions*, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this Presentation, the merits of the Entitlements or the New Shares or the offering of such securities and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of Entitlements or New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and received by the securities regulator in the applicable Province. Furthermore, any resale of the Entitlements or the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements.

Tabcorp, and the directors and officers of Tabcorp, may be located outside Canada, and as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon Tabcorp or its directors or officers. All or a substantial portion of the assets of Tabcorp and such persons may be located outside Canada, and as a result, it may not be possible to satisfy a judgment against Tabcorp or such persons in Canada or to enforce a judgment obtained in Canadian courts against Tabcorp or such persons outside Canada.

Any financial information contained in this Presentation has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board.

Unless stated otherwise, all dollar amounts contained in this Presentation are in Australian dollars.

#### *Statutory rights of action for damages and rescission*

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the Entitlements or the New Shares purchased pursuant to this Presentation (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against Tabcorp if this Presentation or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against Tabcorp. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the *Securities Act* (Ontario) provides that, if this Presentation contains a misrepresentation, a purchaser who purchases the Entitlements and the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against Tabcorp, provided that (a) Tabcorp will not be liable if it proves that the purchaser purchased such securities with knowledge of the misrepresentation; (b) in an action for damages, Tabcorp is not liable for all or any portion of the damages that Tabcorp proves does not represent the depreciation in value of such securities as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which such securities were offered.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

*Certain Canadian income tax considerations.* Prospective purchasers of the Entitlements and the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of such securities as any discussion of taxation related matters in this Presentation is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

*Language of documents in Canada.* Upon receipt of this Presentation, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

# Appendix B - International selling restrictions

## China

The information in this Presentation does not constitute a public offer of the Entitlements or the New Shares, whether by way of sale or subscription, in the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The Entitlements and the New Shares may not be offered or sold directly or indirectly in the PRC to legal or natural persons other than directly to "qualified domestic institutional investors".

## European Economic Area – Denmark, Germany, Luxembourg and Netherlands

The information in this Presentation has been prepared on the basis that all offers of Entitlements and New Shares will be made pursuant to an exemption under the Directive 2003/71/EC ("Prospectus Directive"), as amended and implemented in Member States of the European Economic Area (each, a "Relevant Member State"), from the requirement to produce a prospectus for offers of securities.

An offer to the public of Entitlements and New Shares has not been made, and may not be made, in a Relevant Member State except pursuant to one of the following exemptions under the Prospectus Directive as implemented in that Relevant Member State:

- to any legal entity that is authorized or regulated to operate in the financial markets or whose main business is to invest in financial instruments;
- to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
- to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC, "MiFID"); or
- to any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID.

## France

This Presentation is not being distributed in the context of a public offering of financial securities (*offre au public de titres financiers*) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (*Code monétaire et financier*) and Articles 211-1 et seq. of the General Regulation of the French *Autorité des marchés financiers* ("AMF"). The Entitlements and the New Shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

This Presentation and any other offering material relating to the Entitlements and the New Shares have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed (directly or indirectly) to the public in France. Such offers, sales and distributions have been and shall only be made in France to qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2, D.411-1, L.533-16, L.533-20, D.533-11, D.533-13, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the Entitlements and the New Shares cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.

## Hong Kong

WARNING: This Presentation has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this Presentation or to permit the distribution of this Presentation or any documents issued in connection with it. Accordingly, the Entitlements and the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the Entitlements and the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Entitlements and the New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted Entitlements or New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Presentation have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Presentation, you should obtain independent professional advice.

## Appendix B - International selling restrictions

### Ireland

The information in this Presentation does not constitute a prospectus under any Irish laws or regulations and this Presentation has not been filed with or approved by any Irish regulatory authority as the information has not been prepared in the context of a public offering of securities in Ireland within the meaning of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005, as amended (the "Prospectus Regulations"). The Entitlements and the New Shares have not been offered or sold, and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering, except to "qualified investors" as defined in Regulation 2(l) of the Prospectus Regulations.

### Italy

The offering of the Entitlements and the New Shares in the Republic of Italy has not been authorized by the Italian Securities and Exchange Commission (Commissione Nazionale per le Società e la Borsa, "CONSOB") pursuant to the Italian securities legislation and, accordingly, no offering material relating to these securities may be distributed in Italy and these securities may not be offered or sold in Italy in a public offer within the meaning of Article 1.1(t) of Legislative Decree No. 58 of 24 February 1998, as amended ("Decree No. 58"), other than:

- to qualified investors ("Qualified Investors"), as defined in Article 100 of Decree No. 58 by reference to Article 34-ter of CONSOB Regulation no. 11971 of 14 May 1999, as amended ("Regulation No. 11971"); and
- in other circumstances that are exempt from the rules on public offer pursuant to Article 100 of Decree No. 58 and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of the Entitlements or the New Shares or distribution of any offer document relating to these securities in Italy (excluding placements where a Qualified Investor solicits an offer from the issuer) under the paragraphs above must be:

- made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of 1 September 1993 (as amended), Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007 (as amended) and any other applicable laws; and
- in compliance with all relevant Italian securities, tax and exchange controls and any other applicable laws.

Any subsequent distribution of the Entitlements and the New Shares in Italy must be made in compliance with the public offer and prospectus requirement rules provided under Decree No. 58 and the Regulation No. 11971, unless an exception from those rules applies. Failure to comply with such rules may result in the sale of such securities being declared null and void and in the liability of the entity transferring the securities for any damages suffered by the investors.

### Japan

The Entitlements and the New Shares have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the Entitlements and the New Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires Entitlements or New Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of Entitlements or New Shares is conditional upon the execution of an agreement to that effect.

### Malaysia

This Presentation may not be distributed or made available in Malaysia. No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Entitlements or New Shares. The Entitlements and the New Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act.

### New Zealand

This Presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The Entitlements and the New Shares in the Offer are not being offered to the public within New Zealand other than to existing shareholders of Tabcorp with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the FMC Act and the Securities Act (Overseas Companies) Exemption Notice 2013.

Other than in the Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency; or
- subscribes, or has subscribed, for securities that have a minimum amount payable of at least NZ\$750,000.

# Appendix B - International selling restrictions

## Norway

This Presentation has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this Presentation shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The Entitlements and the New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

## Singapore

This Presentation and any other materials relating to the Entitlements and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Presentation and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Entitlements and New Shares, may not be issued, circulated or distributed, nor may the Entitlements and New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Presentation has been given to you on the basis that you are (i) an existing holder of Tabcorp's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this Presentation immediately. You may not forward or circulate this Presentation to any other person in Singapore.

Any offer is not made to you with a view to the Entitlements or the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Entitlements or New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## Sweden

This Presentation has not been, and will not be, registered with or approved by Finansinspektionen (the Swedish Financial Supervisory Authority). Accordingly, this Presentation may not be made available, nor may the Entitlements or the New Shares be offered for sale in Sweden, other than under circumstances that are deemed not to require a prospectus under the Swedish Financial Instruments Trading Act (1991:980) (*Sw. lag (1991:980) om handel med finansiella instrument*). Any offering of Entitlements or New Shares in Sweden is limited to persons who are "qualified investors" (as defined in the Financial Instruments Trading Act). Only such investors may receive this Presentation and they may not distribute it or the information contained in it to any other person.

## Switzerland

The Entitlements and the New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This Presentation has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this Presentation nor any other offering or marketing material relating to the Entitlements and the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. These securities will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations.

Neither this Presentation nor any other offering or marketing material relating to the Entitlements and the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this Presentation will not be filed with, and the offer of Entitlements and New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This Presentation is personal to the recipient only and not for general circulation in Switzerland.

## United Arab Emirates

Neither this Presentation nor the Entitlements and the New Shares have been approved, disapproved or passed on in any way by the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates, nor has Tabcorp received authorization or licensing from the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates to market or sell the Entitlements or the New Shares within the United Arab Emirates. No marketing of any financial products or services may be made from within the United Arab Emirates and no subscription to any financial products or services may be consummated within the United Arab Emirates. This Presentation does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the Entitlements or the New Shares, including the receipt of applications and/or the allotment or redemption of such securities, may be rendered within the United Arab Emirates by Tabcorp.

No offer or invitation to subscribe for Entitlements or New Shares is valid in, or permitted from any person in, the Dubai International Financial Centre.

## Appendix B - International selling restrictions

### United Kingdom

Neither the information in this Presentation nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the Entitlements or the New Shares. This Presentation is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA) in the United Kingdom, and these securities may not be offered or sold in the United Kingdom by means of this Presentation, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This Presentation should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received in connection with the issue or sale of the Entitlements or the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of FSMA does not apply to Tabcorp.

In the United Kingdom, this Presentation is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this Presentation relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Presentation or any of its contents.

### United States

This Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to persons who are acting for the account or benefit of persons in the United States. Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States or persons who are acting for the account or benefit of persons in the United States, unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Neither this Presentation nor any other document relating to the offer of Entitlements or New Shares may be sent or distributed to persons in the United States. By accepting this Presentation, you agree to be bound by the foregoing limitations.

# Agenda

1. Capital management initiatives
2. Special dividend
3. Equity raising
4. Pro-forma group balance sheet
5. Indicative timetable

**Appendix A – Key risks**

**Appendix B – International selling restrictions**

**Appendix C – Restrictions on eligibility to exercise or trade entitlements**

## Appendix C - Restrictions on eligibility to exercise or trade entitlements

No person who is in the United States or who is acting for the account or benefit of a person in the United States may acquire entitlements on the ASX or exercise such entitlements to acquire new Tabcorp shares under the Offer. Persons wishing to exercise entitlements following expiry of the entitlement trading period will be required to represent that they are not in the United States and are not acting for the account or benefit of a person in the United States.





\* \* \* \* \*  
**NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO US PERSONS**

10 February 2015

**Tabcorp successfully completes the institutional component of its capital raising**

Tabcorp Holdings Limited ("Tabcorp") today announced completion of the institutional component of its fully underwritten 1 for 12 pro-rata accelerated renounceable entitlement offer to raise approximately \$236 million ("Offer").

Tabcorp's Chairman, Ms Paula Dwyer, said: "We have received positive feedback from shareholders in relation to the announcement of the special dividend and the capital raising.

"The institutional component of the capital raising has received strong support and the retail offer period will commence shortly.

"The positive response from our institutional shareholders reflects the company's strong financial performance and progress on several important strategic initiatives."

Under the Offer which was announced on Thursday, 5 February 2015, eligible shareholders are invited to subscribe for 1 new Tabcorp ordinary share ("New Share") for every 12 existing Tabcorp ordinary shares ("Entitlement") held as at 7.00pm, Australian Eastern Daylight Time ("AEDT") on Tuesday, 10 February 2015 ("Record Date"), at an Offer price of \$3.70 per New Share.

**Institutional Entitlement Offer**

The institutional component of the Offer ("Institutional Entitlement Offer") will raise approximately \$142 million and has now closed.

There was approximately 92% take-up of Entitlements held by eligible institutional shareholders under the Institutional Entitlement Offer.

Entitlements not taken up by eligible institutional shareholders were sold at \$0.81 per underlying New Share in the institutional shortfall bookbuild which occurred on Monday, 9 February 2015 ("Institutional Shortfall Bookbuild").

Entitlements to approximately 3.2 million New Shares were available for purchase under the Institutional Shortfall Bookbuild. The Institutional Shortfall Bookbuild was supported by both existing eligible institutional shareholders and new institutional investors, achieving a sale price of \$0.81 per Entitlement to each underlying New Share. Accordingly, the total amount to be paid by successful participants in the Institutional Shortfall Bookbuild is \$4.51 per underlying New Share (being the Offer price of \$3.70 per New Share, plus \$0.81 per Entitlement to each underlying New Share). Institutional shareholders will receive \$0.81 per underlying New Share in respect of the part of their Entitlements sold for their benefit in the Institutional Shortfall Bookbuild.

New Shares to be issued as part of the Institutional Entitlement Offer (including those subject to the Institutional Shortfall Bookbuild) are expected to be issued on Wednesday, 18 February 2015, with trading on ASX expected to commence on the same day (ASX:TAHN). New Shares will not be entitled to either the special dividend of 30 cents per share, fully franked ("Special Dividend") or the interim dividend for the half year ended 31 December 2014 of 10 cents per share, fully franked ("Interim Dividend"), which were both announced on Thursday, 5 February 2015.

Tabcorp Holdings Limited  
ABN 66 063 780 709  
[www.tabcorp.com.au](http://www.tabcorp.com.au)

\* \* \* \* \*

**Retail Entitlement Offer**

The retail component of the Entitlement Offer ("Retail Entitlement Offer") is expected to raise approximately \$94 million. The Retail Entitlement Offer will open on Monday, 16 February 2015 and close at 5.00pm (AEDT) on Monday, 2 March 2015.

Eligible Retail Shareholders<sup>1</sup> will be invited to subscribe for 1 New Share for every 12 existing Tabcorp ordinary shares held as at the Record Date, at the Offer price of \$3.70 per New Share.

New Shares to be issued as part of the Retail Entitlement Offer (including those subject to the associated bookbuild) will not be entitled to either the Special Dividend or the Interim Dividend.

Eligible Retail Shareholders will be allotted Entitlements which can be traded on ASX. If they do not wish to take up all or part of their Entitlements, they can seek to sell all or part of their Entitlements on ASX or by transferring them directly to another person to realise value for those Entitlements ahead of the retail shortfall bookbuild ("Retail Shortfall Bookbuild"). Retail Entitlements can be traded on ASX from 10.00am (AEDT) Tuesday, 10 February to 4.00pm (AEDT) Monday, 16 February on a deferred settlement basis and from 10.00am (AEDT) Tuesday, 17 February to 4.00pm (AEDT) Monday, 23 February on a normal settlement basis.

Entitlements which are not taken up by Eligible Retail Shareholders by the close of the Retail Entitlement Offer and Entitlements that would otherwise have been offered to ineligible retail shareholders will be sold through the Retail Shortfall Bookbuild on Thursday, 5 March 2015. Any proceeds from the sale of Entitlements under the Retail Shortfall Bookbuild will be remitted proportionally to those retail shareholders, less any applicable withholding tax. There is no guarantee that there will be any proceeds remitted to those retail shareholders. Any proceeds arising from the Retail Shortfall Bookbuild are expected to be paid to those retail shareholders on Wednesday, 18 March 2015.

Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Retail Offer Booklet<sup>2</sup> and an accompanying personalised entitlement and acceptance form which are expected to be despatched on Monday, 16 February 2015. Copies of the Retail Offer Booklet will be available on ASX website and our website at [www.tabcorp.com.au](http://www.tabcorp.com.au) from Monday, 16 February 2015.

The Entitlements under the Retail Entitlement Offer may only be exercised by Eligible Retail Shareholders, persons with a registered address in Australia or New Zealand and certain categories of investors in Canada (British Columbia, Ontario and Quebec), China (QDII only), Denmark, France, Germany, Hong Kong, Ireland, Italy, Japan, Luxembourg, Malaysia, the Netherlands, Norway, Singapore, Sweden, Switzerland, the United Arab Emirates (excluding DIFC) and the United Kingdom.

In addition, Entitlements may only be purchased by persons meeting certain eligibility criteria that are set out in Appendix C to the investor presentation relating to the Offer that Tabcorp filed with ASX on Thursday, 5 February 2015. In particular, persons in the United States and persons acting for the account or benefit of a person in the United States will

<sup>1</sup> Eligible Retail Shareholders will be as defined in the Retail Offer Booklet

<sup>2</sup> The Retail Offer Booklet is an offer booklet in relation to the Retail Entitlement Offer and will be lodged with the Australian Securities Exchange and will be dispatched to Eligible Retail Shareholders on or around 16 February 2015

\* \* \* \* \*  
 not be eligible to purchase or trade Entitlements on ASX or exercise or trade Entitlements purchased on ASX or transferred directly from another person.

It is the responsibility of purchasers of Entitlements to inform themselves of the eligibility criteria for exercise. If holders of Entitlements after the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Entitlements. If holders are not able to take up their Entitlements, those Entitlements will be sold into the Retail Shortfall Bookbuild and holders may receive no value for them.

Tabcorp's fully paid ordinary shares (ASX:TAH) are expected to resume trading on ASX from market open today on an ex-entitlement basis in relation to the Offer, and on a cum-entitlement basis in relation to the Special Dividend and Interim Dividend.

#### Indicative timetable

<b>Retail Entitlement Offer</b>	<b>Date – 2015</b>
Record date for eligibility in the Retail Entitlement Offer	7.00pm, Tuesday, 10 February
Retail Entitlements commence trading on ASX on a deferred settlement basis (ASX:TAHR)	Tuesday, 10 February
Retail Entitlements allotted	Monday, 16 February
Retail Entitlement Offer opens	Monday, 16 February
Retail Offer Booklet despatched	Monday, 16 February
Retail Entitlements commence trading on ASX on a normal settlement basis	Tuesday, 17 February
Retail Entitlements trading on ASX ends	Monday, 23 February
New Shares under the Retail Entitlement Offer commence trading on ASX on a deferred settlement basis (ASX:TAHNA)	Tuesday, 24 February
Retail Entitlement Offer closes	Monday, 2 March
Retail Shortfall Bookbuild (after market close)	Thursday, 5 March
Settlement of the Retail Entitlement Offer	Thursday, 12 March
Issue of New Shares under the Retail Entitlement Offer	Friday, 13 March
New Shares under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	Monday, 16 March
Holding statements sent to retail shareholders	Tuesday, 17 March
Retail premium (if any) despatched	Wednesday, 18 March

<b>Special Dividend and Interim Dividend</b>	<b>Date - 2015</b>
Announcement of Special Dividend and Interim Dividend	Thursday, 5 February
Ex-date for Special Dividend and Interim Dividend	Friday, 6 March
Record date for Special Dividend and Interim Dividend	7.00pm, Wednesday, 11 March
Payment of Special Dividend and Interim Dividend	Monday, 16 March

The above timetable is indicative only and subject to change. All times represent Australian Eastern Daylight Time. Tabcorp reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. In particular, Tabcorp reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases), and to withdraw the Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares. The commencement of quotation and trading of Entitlements and New Shares is subject to confirmation from ASX.

\* \* \* \* \*

**Shareholder Enquiries**

Eligible Retail Shareholders have been sent information about the Offer via a shareholder letter which was despatched on Monday, 9 February 2015. Eligible Retail Shareholders will also be sent a Retail Offer Booklet to be lodged with ASX on Monday, 16 February 2015 and despatched on or around the same date, under which the Retail Entitlement Offer will be made.

Retail shareholders who have questions relating to the Retail Entitlement Offer should call the Tabcorp Shareholder Information line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) from 8.30am to 5.30pm (AEDT) Monday to Friday or go to our website [www.tabcorp.com.au](http://www.tabcorp.com.au).

Further information in relation to the Offer described in this announcement is set out in an announcement and investor presentation which Tabcorp filed with ASX on Thursday, 5 February 2015. The investor presentation contains important information including key risks, key assumptions relating to certain forward looking information in this announcement and foreign selling restrictions with respect to the Offer.

**Important Information**

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to persons acting for the account or benefit of persons in the United States. Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements and the New Shares may not be offered or sold to persons in the United States or to persons who are acting for the account or benefit of persons in the United States, unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Neither this announcement nor any other documents relating to the offer of Entitlements or New Shares may be sent or distributed to persons in the United States.

This announcement contains forward-looking statements, which can usually be identified by the use of words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or words of similar effect. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Tabcorp, and which may cause actual outcomes to differ materially from those expressed in the statements contained in this announcement. Undue reliance should not be placed on these forward-looking statements. These forward-looking statements are based on information available to Tabcorp as of the date of this announcement. Except as required by law or regulation (including ASX Listing Rules) Tabcorp undertakes no obligation to update these forward-looking statements.

For more information:

Financial analysts: Lachlan Fitt, GM Investor Relations and Strategy, 02 9218 1414

Media: Nicholas Tzaferis, GM Corporate Affairs, 03 9868 2529

## 6. Important information

This Retail Offer Booklet (including the ASX announcements in Section 5) and the enclosed personalised Entitlement and Acceptance Form (**Information**) have been prepared by Tabcorp.

This Information is dated Monday, 16 February 2015 (other than the Tabcorp Investor Presentation and the Offer Launch Announcement dated 5 February 2015, and the Institutional Entitlement Offer Completion Announcement dated 10 February 2015). This Information remains subject to change without notice and Tabcorp is not responsible for updating this Information.

There may be additional announcements made by Tabcorp after the date of this Retail Offer Booklet and throughout the period that the Retail Entitlement Offer is open that may be relevant to your consideration of whether to take up, sell, transfer or do nothing in respect of your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by Tabcorp (by visiting the ASX website at [www.asx.com.au](http://www.asx.com.au)) before submitting your application to take up your Entitlement, or selling or transferring your Entitlement.

No party other than Tabcorp has authorised or caused the issue of this Information, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information.

**This Information is important and requires your immediate attention.**

You should read this Information carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the risk factors outlined in Appendix A 'Key risks' of the Tabcorp Investor Presentation included in Section 5 of this Retail Offer Booklet, any of which could affect the operating and financial performance of Tabcorp or the value of an investment in Tabcorp.

You should consult your stockbroker, accountant or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

### **Trading of Entitlements and New Shares**

It is expected that trading of Retail Entitlements on ASX will commence at 10.00am (AEDT) on Tuesday, 10 February 2015 (ASX Code: TAHR) on a deferred settlement basis until 4.00pm (AEDT) on Monday, 16 February 2015 (when those Entitlements are expected to be allotted) and from 10.00am (AEDT) on Tuesday, 17 February 2015 until 4.00pm (AEDT) on Monday, 23 February 2015 on a normal settlement basis. Following this, it is expected that trading on ASX of New Shares to be issued under the Retail Entitlement Offer will commence at 10.00am (AEDT) on Tuesday, 24 February 2015 (ASX Code: TAHNA) on a deferred settlement basis until 4.00pm (AEDT) on Friday, 13 March 2015 (when New Shares are expected to be issued) and thereafter on a normal settlement basis.

**Tabcorp will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade Entitlements before they receive their personalised Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by Tabcorp or the Tabcorp Share Registry or otherwise, or who otherwise trade or purport to trade Entitlements in error or which they do not hold or are not entitled to.**

**Tabcorp will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by Tabcorp or the Tabcorp Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.**

If you are in any doubt as to these matters, you should first consult with your stockbroker or other professional adviser.

## 6.1 Eligible Retail Shareholders

This Information contains an offer of New Shares to Eligible Retail Shareholders in Australia or New Zealand and has been prepared in accordance with section 708AA of the Corporations Act as notionally modified by ASIC.

Eligible Retail Shareholders are those persons who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm (AEDT) on Tuesday, 10 February 2015;
- have a registered address on the Tabcorp Share register in Australia or New Zealand;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such person in the United States);
- were not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Retail shareholders as at the Record Date who are not Eligible Retail Shareholders are Ineligible Retail Shareholders. Tabcorp reserves the right to determine whether a shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Retail Shareholder. Nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

Tabcorp may (in its absolute discretion) extend the Retail Entitlement Offer to any institutional shareholder that was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer (subject to compliance with relevant laws).

Tabcorp has decided that it is unreasonable to make offers under the Retail Entitlement Offer to shareholders who have registered addresses outside Australia and New Zealand, having regard to the number of such holders in those places and the number and value of the New Shares that they would be offered, and the cost of complying with the relevant legal and regulatory requirements in those places. Tabcorp may (in its absolute discretion) extend the Retail Entitlement Offer to shareholders who have registered addresses outside Australia and New Zealand (except the United States) in accordance with applicable law.

## 6.2 Eligible Institutional Shareholders

Eligible Institutional Shareholders are institutional shareholders to whom the Underwriter made an offer on behalf of Tabcorp under the Institutional Entitlement Offer.

## 6.3 Ranking of New Shares

New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally in all respects with existing Shares, except that the New Shares will not be entitled to receive either the Special Dividend or the Interim Dividend. The rights and liabilities attaching to the New Shares are set out in Tabcorp's constitution, a copy of which is available at [www.tabcorp.com.au/about-us\\_corporate-governance.aspx](http://www.tabcorp.com.au/about-us_corporate-governance.aspx).

## 6.4 Risks

The Tabcorp Investor Presentation included in Section 5 of this Retail Offer Booklet details important factors and risks that could affect the financial and operating performance of Tabcorp. You should refer to Appendix A 'Key risks' of the Investor Presentation. You should consider these factors in light of your personal circumstances, including financial and taxation issues, before making a decision in relation to your Entitlement.

## 6.5 Reconciliation, Top-Up Shares and the rights of Tabcorp and the Underwriter

The Offer is a complex process and in some instances investors may believe that they will own more Shares than they ultimately did as at the Record Date or are otherwise entitled to more New Shares than initially offered to them. These matters may result in a need for reconciliation. If reconciliation is required, it is possible that Tabcorp may need to issue additional New Shares (**Top-Up Shares**) to ensure that the relevant investors receive their appropriate allocation of New Shares. The price at which these Top-Up Shares would be issued is not known.

Tabcorp also reserves the right to reduce the size of an Entitlement or number of New Shares or the amount of the Institutional Premium or Retail Premium allocated to Eligible Institutional Shareholders or Eligible Retail Shareholders, or persons claiming to be Eligible Institutional Shareholders or Eligible Retail Shareholders or other applicable investors, if Tabcorp believes in its complete discretion that their claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims. In that case, Tabcorp may, in its discretion, require the relevant shareholder to transfer excess New Shares to the Underwriter at the Offer Price per New Share. If necessary, the relevant shareholder may need to transfer existing Shares held by them or to purchase additional Shares on-market to meet this obligation. The relevant shareholder will bear any and all losses caused by subscribing for New Shares in excess of their Entitlement and any actions they are required to take in this regard.

Investors who sell Entitlements to which they are not entitled, or who do not hold sufficient Entitlements at the time required to deliver those Entitlements, may be required by Tabcorp to otherwise acquire Entitlements or Shares to satisfy these obligations.

By applying under the Offer, including pursuant to acquisitions of Entitlements, those doing so irrevocably acknowledge and agree to do the above as required by Tabcorp in its absolute discretion. Those applying acknowledge that there is no time limit on the ability of Tabcorp or the Underwriter to require any of the actions set out above.

## 6.6 Receipt of excess Retail Premium

If you receive a Retail Premium payment in excess of the Retail Premium payment to which you were actually entitled based on that part of your Entitlement under the Retail Entitlement Offer which remains held by you (and not taken up) as at the close of the Retail Entitlement Offer at 5.00pm (AEDT) on Monday, 2 March 2015, then, in the absolute discretion of Tabcorp, you may be required to repay Tabcorp the excess Retail Premium.

By taking up or transferring your Entitlement, or accepting the payment to you of a Retail Premium, you irrevocably acknowledge and agree to repay any excess payment of the Retail Premium as set out above as required by Tabcorp in its absolute discretion. In this case the amount required to be repaid will be net of any applicable withholding tax. You also acknowledge that there is no time limit on the ability of Tabcorp to require repayment as set out above and that where Tabcorp exercises its right to correct your Entitlement, you are treated as continuing to have taken up, transferred or not taken up any remaining part of the Entitlement.

## 6.7 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted.

## 6.8 Rounding of Entitlements

Where fractions arise in the calculation of an Entitlement, they will be rounded down to the nearest whole number of New Shares.

## 6.9 Trading of Retail Entitlements

Entitlements of Eligible Retail Shareholders under the Retail Entitlement Offer are tradeable and can be sold or transferred. They are expected to be quoted on and tradeable on ASX from Tuesday, 10 February 2015 to Monday, 23 February 2015 (ASX Code: TAHR). You may sell your Entitlement (to the extent that you do not wish to take it up or let it be sold into the Retail Shortfall Bookbuild) in order to realise value which may attach to the relevant part of your Entitlement if sold at that time. If you let your Entitlement be sold into the Retail Shortfall Bookbuild, you have the opportunity to receive any Retail Premium (see Section 3.8). There is no guarantee that there will be a liquid market in traded Entitlements. A lack of liquidity may impact the ability to sell Entitlements on ASX and the price able to be achieved.

Prices obtainable for Retail Entitlements may rise and fall over the Retail Entitlement trading period and will depend on many factors including the demand for and supply of Entitlements on ASX and the value of Tabcorp's existing Shares relative to the Offer Price (taking into account that the New Shares will not receive the Special Dividend or the Interim Dividend). If you sell your Entitlement, you may receive a higher or lower amount than a shareholder who sells their Entitlement at a different time in the Retail Entitlement trading period or through the Retail Shortfall Bookbuild.

If you decide not to take up all or part of your Entitlement, you should consider whether to sell all or part of your Entitlement or allow all or part of it to be sold into the Retail Shortfall Bookbuild. Information on how Entitlements may be sold or transferred is set out in Section 3 and information on Australian taxation considerations is set out in Section 4.

Institutional Entitlements under the Institutional Entitlement Offer were not quoted on or tradeable on ASX nor privately transferable.

The Retail Entitlements may not be purchased, traded, taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of persons in the United States.

Investors should note that if you purchase Retail Entitlements on ASX or otherwise, in order to take up or exercise those Retail Entitlements and subscribe for New Shares you:

- must be an Eligible Retail Shareholder, a resident in Australia or New Zealand, or otherwise qualify as an 'Eligible Person'<sup>4</sup>; and
- must not be in the United States or acting for the account or benefit of a person in the United States.

If you do not satisfy the above conditions, you will not be entitled to take up Retail Entitlements or subscribe for New Shares.

It is the responsibility of purchasers of Entitlements to inform themselves of the eligibility criteria for exercise. If holders of Entitlements after the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Entitlements. In the event that holders are not able to take up their Entitlements, they may receive no value for them.

## 6.10 Notice to nominees and custodians

If Tabcorp believes you hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to, and they must not sell or transfer Entitlements in respect of or purport to accept the Retail Entitlement Offer in respect of, Eligible Institutional Shareholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not) and institutional shareholders who were treated as ineligible institutional shareholders under the Institutional Entitlement Offer.

Persons acting as nominees for other persons must not take up any Entitlements on behalf of, or send any documents related to the Retail Entitlement Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States. Persons in the United States and persons acting for the account or benefit of persons in the United States will not be able to purchase or trade Retail Entitlements on ASX or otherwise, or take up or exercise Retail Entitlements purchased on ASX or otherwise, and may receive no value for any such Entitlements held.

Tabcorp is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Shares or Entitlements. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Offer by the beneficiary, including following acquisition of Entitlements on ASX or otherwise, complies with applicable foreign laws. Tabcorp is not able to advise on foreign laws.

## 6.11 Not investment advice

This Retail Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Tabcorp is not licensed to provide financial product advice in respect of the New Shares. This Information does not purport to contain all the information that you may require to evaluate a possible application for New Shares, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with Tabcorp's other periodic statements and continuous disclosure announcements lodged with ASX, which are available at [www.asx.com.au](http://www.asx.com.au).

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Information, you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, accountant or other professional adviser or call the Tabcorp Shareholder Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) between 8.30am and 5.30pm (AEDT) Monday to Friday.

Nominees and custodians may not distribute any part of this Retail Offer Booklet in the United States or in any other country outside Australia and New Zealand except (i) Australian and New Zealand nominees may send this Retail Offer Booklet and related offer documents to beneficial shareholders who are professional or institutional shareholders in other countries (other than the United States) listed in, and to the extent permitted under, Appendix B 'International selling restrictions' of the Tabcorp Investor Presentation included in Section 5 of this Retail Offer Booklet and (ii) to beneficial shareholders in other countries (other than the United States) where Tabcorp may determine it is lawful and practical to make the Retail Entitlement Offer.

4. Certain investors in a limited number of foreign jurisdictions (other than the United States) may be Eligible Persons if they satisfy the requirements of that expression as set out in the Entitlement and Acceptance Form in respect of the Retail Entitlement Offer which is available at [www.tabcorp.com.au](http://www.tabcorp.com.au).

## 6.12 Quotation and trading

Tabcorp has applied to the ASX for official quotation of the New Shares in accordance with the ASX Listing Rule requirements. If ASX does not grant quotation of the New Shares, Tabcorp will repay all Application Monies (without interest).

Subject to approval being granted, it is expected that trading of New Shares to be issued under the Retail Entitlement Offer will commence on a deferred settlement basis at 10.00am (AEDT) on Tuesday, 24 February 2015 (ASX Code: TAHNA) until 4.00pm (AEDT) on Friday, 13 March 2015 (when New Shares are expected to be issued) and thereafter on a normal settlement basis.

## 6.13 Information availability

If you are in Australia or New Zealand, you can obtain a copy of this Retail Offer Booklet during the Offer period at [www.tabcorp.com.au](http://www.tabcorp.com.au) or by calling the Tabcorp Shareholder Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) between 8.30am and 5.30pm (AEDT) Monday to Friday.

A replacement Entitlement and Acceptance Form can also be requested by calling the Tabcorp Shareholder Information Line or at [www.tabcorp.com.au](http://www.tabcorp.com.au).

If you access the electronic version of this Retail Offer Booklet, you should ensure that you download and read the entire Retail Offer Booklet. The electronic version of this Retail Offer Booklet on the Tabcorp Offer website will not include an Entitlement and Acceptance Form.

## 6.14 Foreign jurisdictions

This Information has been prepared to comply with the requirements of the securities laws of Australia and New Zealand. To the extent that you hold Shares or Entitlements on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that any participation (including for your own account or when you hold Shares or Entitlements beneficially for another person) complies with all applicable foreign laws and that each beneficial owner on whose behalf you are submitting the personalised Entitlement and Acceptance Form or trading Entitlements is not in the United States and not acting for the account or benefit of a person in the United States.

This Retail Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Information (including an electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of this Information, you should observe such restrictions and should seek your own advice on such restrictions. See Appendix B 'International selling restrictions' of the Tabcorp Investor Presentation included in Section 5 of this Retail Offer Booklet for more information.

Any non-compliance with these restrictions may contravene applicable securities laws.

### 6.14.1 New Zealand

The Entitlements and the New Shares are not being offered to the public within New Zealand other than to existing shareholders of Tabcorp with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand). The offer of New Shares is renounceable in favour of members of the public.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### 6.14.2 United States

The Entitlements and New Shares have not been and will not be registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States. The Entitlements may not be purchased, traded, taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of persons in the United States. Neither the Entitlements nor the New Shares may be offered, sold or resold to persons in the United States or to persons who are acting for the account or benefit of persons in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US State securities laws. In the Retail Entitlement Offer, the Entitlements and the New Shares will be only sold in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in compliance with Regulation S under the US Securities Act. Because of these legal restrictions, you must not distribute, release or send copies of this Retail Offer Booklet or any other material relating to the Retail Entitlement Offer to any person in the United States.

## 6.15 Underwriting of the Offer

Tabcorp has entered into an underwriting agreement (**Underwriting Agreement**) with UBS AG, Australia Branch (the **Underwriter**), who has agreed to manage and fully underwrite the Offer. As is customary with these types of arrangements:

- Tabcorp has agreed, subject to certain carve-outs, to indemnify the Underwriter, its affiliates and related bodies corporate, and each of their directors, officers, employees, agents and advisers against any losses they may suffer or incur in connection with the Offer;
- Tabcorp and the Underwriter have given certain representations, warranties and undertakings in connection with (among other things) the Offer;
- the Underwriter may (in certain circumstances, having regard to the materiality of the relevant event) terminate the Underwriting Agreement and be released from its obligations under it on the occurrence of certain events, including (but not limited to) where:
  - Tabcorp is removed from the official list of ASX, its Shares are suspended from trading or quotation (other than at Tabcorp's request and with the approval of the Underwriter), or approval for quotation of the New Shares is not given by ASX;
  - there are material disruptions in financial or economic conditions in key markets, or hostilities commence or escalate in certain key countries;
  - there are certain delays in the timetable for the Offer without the Underwriter's consent;
  - the Offer documents contain (whether by omission or otherwise) a statement which is false, misleading or deceptive in a material respect; or
  - Tabcorp withdraws the Offer.

See Appendix A 'Key risks' of the Tabcorp Investor Presentation included in Section 5 of this Retail Offer Booklet for more information regarding termination events under the Underwriting Agreement.

The Underwriter will be paid an underwriting and offer management fee of 2.3% (excluding GST) of the Institutional Entitlement Offer gross proceeds and 2.3% of the Retail Entitlement Offer gross proceeds for providing these services and will be reimbursed for certain expenses.

None of the Underwriter nor any of their respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents have authorised or caused the issue of this Information and they do not take any responsibility for this Information or any action taken by you on the basis of such information. To the maximum extent permitted by law, the Underwriter and each of their respective related bodies corporate and affiliates and each of their respective directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Offer and this Information being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. None of the Underwriter nor any of their respective related bodies corporate and affiliates nor respective directors, officers, partners, employees, representatives or agents make any recommendations as to whether you or your related parties should participate in the Offer nor do they make any representations or warranties to you concerning this Offer, or any such information and you represent, warrant and agree that you have not relied on any statements made by the Underwriter or any of their respective related bodies corporate and affiliates or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Shares or the Offer generally.

Tabcorp will arrange for Entitlements which are not taken up by close of the Retail Entitlement Offer to be sold to eligible institutional investors through the Retail Shortfall Bookbuild. Tabcorp has engaged the Underwriter to assist in selling Entitlements through the Retail Shortfall Bookbuild (including Entitlements that would have been issued to Ineligible Retail Shareholders had they been eligible to participate in the Retail Entitlement Offer). However, it is important to note that the Underwriter will be acting for and providing services to Tabcorp in this process and will not be acting for or providing services to shareholders or any other investor. The engagement of the Underwriter by Tabcorp is not intended to create any agency, fiduciary or other relationship between the Underwriter and the shareholders or any other investor.

## 6.16 ASIC modification

In order to conduct the Offer in accordance with section 708AA of the Corporations Act, ASIC has granted Tabcorp a modification of certain provisions of the Corporations Act to permit the terms of the Offer to differ between shareholders in so far as Retail Entitlements can be traded on ASX (or transferred directly to another person) in whole or in part, while Institutional Entitlements were not able to be traded on ASX or privately transferred.

## 6.17 Governing law

This Information, the Retail Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Victoria, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

## 6.18 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Information.

Any information or representation that is not in this Information may not be relied on as having been authorised by Tabcorp, or its related bodies corporate, in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, none of Tabcorp, nor any other person, warrants or guarantees the future performance of Tabcorp or any return on any investment made pursuant to this Information or its content.

No entity (other than Tabcorp) referred to in the Corporate directory of this Retail Offer Booklet, nor any of their respective related bodies corporate, nor any of their respective directors, officers, partners, employees, representatives or agents, have authorised or caused the issue of this Information and they do not take any responsibility for this Information or any action taken by you on the basis of such information. None of those persons has made or purports to make any statement in this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement by any of them. To the maximum extent permitted by law, each of those persons exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Offer and this Information being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

## 6.19 Withdrawal of the Offer

Tabcorp reserves the right to withdraw all or part of the Offer and this Information at any time, subject to applicable laws, in which case Tabcorp will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest. In circumstances where allotment under the Institutional Entitlement Offer has occurred, Tabcorp may only be able to withdraw the Offer with respect to New Shares to be issued under the Retail Entitlement Offer.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to Tabcorp will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to Tabcorp.

## 6.20 Privacy

As a shareholder, Tabcorp and the Tabcorp Share Registry have already collected certain personal information from you. If you apply for New Shares, Tabcorp and the Tabcorp Share Registry may update that personal information or collect additional personal information. Such information may be used to assess your acceptance of the New Shares, service your needs as a shareholder, provide facilities and services that you request and carry out appropriate administration.

To do that, Tabcorp and the Tabcorp Share Registry may disclose your personal information for purposes related to your shareholdings to their agents, contractors or third party service providers to whom they outsource services, in order to assess your application for New Shares, the Tabcorp Share Registry for ongoing administration of the register, printers and mailing houses for the purposes of preparation of the distribution of shareholder information and for handing of mail, or as otherwise permitted under the *Privacy Act 1988* (Cth).

If you do not provide us with your personal information we may not be able to process your application. In most cases you can gain access to your personal information held by (or on behalf of) Tabcorp or the Tabcorp Share Registry. We aim to ensure that the personal information we retain about you is accurate, complete and up to date. To assist us with this please contact us if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information we have about you, we will take steps to correct it. You can request access to your personal information by telephoning or writing to Tabcorp through the Tabcorp Share Registry as follows:

**Link Market Services Limited**  
1800 502 355 (within Australia)  
+61 1800 502 355 (outside Australia)  
Level 12, 680 George Street  
Sydney NSW 2000  
Australia

## Corporate directory

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### Tabcorp Holdings Limited

(ABN 66 063 780 709)

Registered Office

5 Bowen Crescent

Melbourne VIC 3004

Australia

[www.tabcorp.com.au](http://www.tabcorp.com.au)

### Tabcorp Shareholder Information Line

1300 665 661 (within Australia)

+61 1300 665 661 (outside Australia)

Open between 8.30am to 5.30pm (AEDT)

Monday to Friday

### Tabcorp Share Registry

#### Link Market Services Limited

(ABN 54 083 214 537)

Level 12, 680 George Street

Sydney NSW 2000

Australia

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

### Underwriter to the Offer

#### UBS AG, Australia Branch

(ABN 47 088 129 613)

Level 16, Chifley Tower

2 Chifley Square

Sydney NSW 2000

Australia

### Australian Legal Adviser to the Offer

#### Allens

(ABN 47 702 595 758)

Level 37, 101 Collins Street

Melbourne VIC 3000

Australia

For personal use only

**SRN/HIN:**

**Entitlement Number:**

**Subregister:**

**Number of eligible Shares held as at the Record Date, 7:00pm (AEDT) on 10 February 2015:**

**Entitlement to New Shares (on a 1 for 12 basis):**

**Amount payable on full acceptance at A\$3.70 per Share:**

<b>Offer Closes 5:00pm (AEDT):</b>	<b>2 March 2015</b>
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## ENTITLEMENT AND ACCEPTANCE FORM

This Entitlement and Acceptance Form relates to a pro rata accelerated renounceable entitlement offer of New Shares to Eligible Retail Shareholders of Tabcorp Holdings Limited ("Retail Entitlement Offer").

As an Eligible Retail Shareholder you are entitled to acquire 1 New Share for every 12 existing Shares that you hold on the Record Date, at an Offer Price of A\$3.70 per New Share. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

**IMPORTANT:** The Offer is being made under the Retail Offer Booklet dated 16 February 2015. The Retail Offer Booklet contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Retail Offer Booklet. This Entitlement and Acceptance Form should be read in conjunction with the Retail Offer Booklet.

If you do not have a paper copy of the Retail Offer Booklet, you can obtain a paper copy at no charge, by calling the Tabcorp Shareholder Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (from outside Australia). The Tabcorp Shareholder Information Line is open from 8:30am to 5:30pm (AEDT), Monday to Friday.

### PAYMENT OPTIONS

If you wish to take up all or part of your Entitlement to New Shares, you have two payment options detailed below.

#### OPTION 1: PAYING BY BPAY®

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return the acceptance slip below if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5:00pm (AEDT) on 2 March 2015. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Entitlement and Acceptance Form for the number of New Shares your application payment will pay for.

#### OPTION 2: PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

If paying by cheque, bank draft or money order, complete and return the acceptance slip below with your Application Monies. No signature is required on the acceptance slip. The acceptance slip with your Application Monies must be received by the Registry before 5:00pm (AEDT) on 2 March 2015.

	Billers Code: 574608
	Ref:

#### Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au

© Registered to BPAY Pty Ltd ABN 69 079 137 518

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance Form. If you do not take up or sell your Entitlement, you may not receive any value for it. It is important that you decide whether to accept or sell your Entitlement in accordance with the Retail Offer Booklet.

**THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.**



*Please detach and enclose with payment*

**SRN/HIN:**

**Entitlement Number:**



**A** Number of New Shares applied for (being not more than your Entitlement shown above)

**B** Payment amount (Multiply the number in section A by A\$3.70)

**A\$**

**C PLEASE INSERT CHEQUE, BANK DRAFT OR MONEY ORDER DETAILS** – Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Tabcorp Retail Offer" and crossed "Not Negotiable".

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>A\$</b> <input type="text"/>

**D CONTACT DETAILS – Telephone number**

Telephone number – after hours

Contact name

## IMPORTANT INFORMATION

Only the following persons ("Eligible Persons") are entitled to exercise any Entitlements:

- Eligible Retail Shareholders as defined in Section 6.1 of the Retail Offer Booklet dated 16 February 2015;
- Persons with a registered address in Australia or New Zealand; or
- Certain persons in Canada (British Columbia, Ontario or Quebec provinces), China (excluding Macau and Taiwan), Germany, Hong Kong, Ireland, Italy, Japan, Luxembourg, Malaysia, the Netherlands, Norway, Singapore, Sweden, Switzerland, the United Arab Emirates (excluding Dubai International Finance Centre) and the United Kingdom who would be eligible to receive the offer set out in the Retail Offer Booklet, as referred to in Appendix B "International selling restrictions" in the Tabcorp Holdings Limited Investor Presentation included in Section 5 of the Retail Offer Booklet,

provided that in each case, such persons are not in the United States and are not acting for the account or benefit of a person in the United States.

The Retail Offer Booklet and this Entitlement and Acceptance Form do not constitute an offer or invitation to acquire Entitlements or New Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

### ACCEPTANCE OF RETAIL ENTITLEMENT OFFER

By either returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY<sup>®</sup>, you:

- acknowledge that you have read and understood the Retail Offer Booklet and you acknowledge the matters, and make the warranties, representations and declarations, contained in Sections 3.11 and 3.12 of the Retail Offer Booklet and in this Entitlement and Acceptance Form;
- represent and warrant that you are an Eligible Retail Shareholder as defined in Section 6.1 of the Retail Offer Booklet;
- authorise Tabcorp Holdings Limited to register you as the holder of New Shares allotted to you and agree to be bound by the constitution of Tabcorp Holdings Limited;
- represent and warrant (for the benefit of Tabcorp Holdings Limited and its affiliates and UBS AG, Australia Branch and its affiliates) that you are not in the United States and you are not acting for the account or benefit of a person in the United States;
- understand and acknowledge that neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933 as amended or under the securities laws of any state or other jurisdiction of the United States, and accordingly the Entitlements may not be acquired or exercised by persons in the United States or by persons who are acting for the account or benefit of a person in the United States, and neither the Entitlements nor the New Shares may be offered or sold, directly or indirectly, to persons in the United States or to persons acting for the account or benefit of a person in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act of 1933 as amended and applicable U.S. state securities laws;
- agree not to send the Retail Offer Booklet, this Entitlement and Acceptance Form or any other material relating to the Retail Entitlement Offer to any person in the United States or to any person acting for the account or benefit of a person in the United States; and
- agree that if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in transactions where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States or who is acting for the account or benefit of a person in the United States.

### HOW TO APPLY FOR NEW SHARES

#### 1. IF PAYING BY BPAY<sup>®</sup> (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY<sup>®</sup> you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY<sup>®</sup>: [www.bpay.com.au](http://www.bpay.com.au)

#### 5. OVERSEAS SHAREHOLDERS

The Retail Offer Booklet and Entitlement and Acceptance Form do not constitute an offer of securities in any jurisdiction outside of Australia and New Zealand or to any person to whom it would not be lawful to issue the Retail Offer Booklet. By applying for New Shares under this Entitlement and Acceptance Form or by accepting the Retail Entitlement Offer, you represent and warrant that applying for New Shares does not breach any law in any relevant overseas jurisdiction.

#### 6. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

A reply paid envelope is enclosed for your use. No postage stamp is required if it is posted in Australia. Alternatively, if you have lost the reply paid envelope, or you have obtained the Retail Offer Booklet electronically, your completed Entitlement and Acceptance Form with the payment for New Shares may be mailed to the postal address, or delivered by hand to the delivery address, set out below. **If paying by BPAY<sup>®</sup> you do not need to complete or return the Entitlement and Acceptance Form.** You should check the processing cut off-time for BPAY<sup>®</sup> transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the Retail Entitlement Offer.

##### Mailing Address

Tabcorp Holdings Limited  
C/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001

##### Hand Delivery

Tabcorp Holdings Limited  
C/- Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your acceptance slip and Application Monies allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5:00pm (AEDT) on 2 March 2015. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Tabcorp Holdings Limited reserves the right not to process any acceptance slips and cheques received after the Closing Date.

**If you require further information on how to complete this Entitlement and Acceptance Form, please contact the Tabcorp Shareholder Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (from outside Australia) between 8:30am and 5:30pm (AEDT) Monday to Friday.**

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for (being equal to or less than your Entitlement, set out overleaf) by A\$3.70.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

#### 2. IF PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

##### A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

##### B. Payment Amount

Enter into section B the total amount payable by you. To calculate the total amount multiply the number in Section A by A\$3.70.

##### C. Cheque, bank draft or money order details

Enter your cheque, bank draft or money order details in section C. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Tabcorp Retail Offer" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque or money order for the incorrect amount, Tabcorp Holdings Limited may treat you as applying for as many New Shares as your cheque, bank draft or money order will pay for.

##### D. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares, if necessary.

#### 3. SALE OF YOUR ENTITLEMENT IN FULL OR IN PART BY YOUR STOCKBROKER AND ACCEPTANCE OF THE BALANCE

If you wish to sell all of your Entitlement through your stockbroker or if you wish to sell part of your Entitlement through your stockbroker and accept the balance you should contact your stockbroker and provide details as requested which appear overleaf.

You should complete the "Instructions to your Stockbroker" panel below and forward this Entitlement and Acceptance Form to your stockbroker.

##### Instructions to your Stockbroker

I/We have accepted	<input type="text"/>
	New Shares as per reverse side
And attach a cheque/bank draft for	<b>A\$</b> <input type="text"/>
	being Application Monies at A\$3.70 per New Share
I/We wish to sell	<input type="text"/>
	Entitlement to New Shares

#### 4. DISPOSAL OF YOUR ENTITLEMENT OTHER THAN THROUGH A STOCKBROKER

A renunciation form must be used for all other transactions. These forms may be obtained from the Registry or your stockbroker.