

Pacific Consortium amends Revised Indicative Proposal

Brisbane, 24 April 2017 – Tatts Group Limited (**Tatts**) has received further correspondence from the Pacific Consortium¹ to amend the terms of its revised non-binding, indicative and conditional proposal to acquire 100% of Tatts for \$4.21 cash per share (**Revised Indicative Proposal**).

The correspondence states that in the event the Pacific Consortium has not closed its proposed transaction by 31 December 2017, the Pacific Consortium is willing to permit Tatts to pay dividends to its shareholders in the ordinary course, which will not result in a reduction of the \$4.21 cash consideration available under the Revised Indicative Proposal.

Tatts notes that under the terms of the Revised Indicative Proposal, Tatts shareholders will not receive a final dividend for the year ended 30 June 2017.

Tatts has not yet formed a view on how the Revised Indicative Proposal compares to the merger proposal from Tabcorp Holdings Limited, which was announced on 19 October 2016 (**Proposed Tabcorp Merger**). Tatts is currently working with its advisers to undertake a thorough and detailed assessment of the two proposals and Tatts will make a further announcement when that assessment is complete.

In the meantime, the Directors of Tatts continue to believe the Proposed Tabcorp Merger is in the best interests of Tatts shareholders and unanimously recommend the Proposed Tabcorp Merger, in the absence of a superior proposal and subject to an independent expert concluding the Proposed Tabcorp Merger is in the best interests of Tatts shareholders.

The Tatts Board remains fully committed to acting in the best interests of, and maximising value for, Tatts shareholders.

¹ The Pacific Consortium comprises four financial investors, First State Superannuation Scheme, Morgan Stanley Infrastructure Inc., as adviser to and manager of North Haven Infrastructure Partners II LP, one or more affiliates of Kohlberg Kravis Roberts & Co. L.P., and Macquarie Corporate Holdings Pty Limited.