Tabcorp

14 August 2019

Australian Securities Exchange
Companies Announcements Platform
20 Bridge Street
Sydney NSW 2000

TABCORP FULL YEAR RESULTS PRESENTATION

Attached is the presentation regarding Tabcorp Holdings Limited's (Tabcorp's) results for the financial year ended 30 June 2019 to be presented by David Attenborough, Managing Director and Chief Executive Officer.

This presentation will be webcast on Tabcorp's website at **www.tabcorp.com.au** from 10.00am (Melbourne time) today.

The information contained in this announcement should be read in conjunction with today's announcements of Tabcorp's results for the financial year ended 30 June 2019.

Yours faithfully

Chris Murphy
Company Secretary

TABCORP HOLDINGS LIMITED

2018/19 FULL YEAR RESULTS PRESENTATION

14 AUGUST 2019

ABN 66 063 780 709

EXCITEMENT

INTEGRITY

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STRONG GROUP RESULT REFLECTS COMPELLING INVESTMENT FUNDAMENTALS

STRONG GROUP RESULT	○ Revenue up 8.7% and EBITDA up 7.6% (vs pro-forma pcp): • Positive step change in performance, with record Lotteries & Keno result from successful game portfolio initiatives, strong growth in digital and retail channels, and favourable jackpots • Wagering & Media results reflect the incomplete status of integration and the heightened investment in maintaining active customer numbers during business transformation • Gaming Services made good progress on contract extensions and consolidated under the MAX brand
INCREASED DIVIDEND	○ Full year dividend of 22.0 cents per share fully franked, including final dividend of 11.0 cents per share ○ Increase of 4.8% on pcp
INTEGRATION DELIVERING BENEFITS	○ Successful year with significant cost savings realised ahead of plan ○ Delivered $64m EBITDA synergies and business improvements in FY19 ○ Initiatives in place to deliver FY20 EBITDA target of $90m ○ On track to deliver FY21 total EBITDA target of $130m-$145m
DIGITAL EXPERIENCE ACCELERATED	○ Lotteries digital turnover up 73.5% vs pro-forma pcp, now 23.5% of total turnover ○ Wagering digital turnover up 7.7% vs pro-forma pcp; TAB up 11.2%, now 44.6% of total turnover ○ New omni-channel model being rolled out with Lotteries' retail partners[1]
WELL POSITIONED FOR LONG-TERM PROFITABLE GROWTH	○ Customer-led omni-channel strategy focused on optimising our diverse and unique assets ○ Customer focus enhanced by investments in product innovation, data, digital, and retail modernisation ○ Continued investment in compliance, risk management and responsible gambling initiatives ○ Disciplined management of operating expenses, capital investment and balance sheet

Notes:
1. Subject to regulatory approval

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FY19 RESULTS

		VS REPORTED PCP [1,2]	VS PRO-FORMA PCP [3]
REVENUE	$5,482.2M	UP 45.9%	UP 8.7%
EBITDA (CONTINUING OPERATIONS BEFORE SIGNIFICANT ITEMS)	$1,064.7M	UP 38.4%	UP 7.6%
NPAT (CONTINUING OPERATIONS BEFORE SIGNIFICANT ITEMS)	$397.6M	UP 42.5%	
(STATUTORY)	$362.5M	WAS $28.7M	
EPS (CONTINUING OPERATIONS BEFORE SIGNIFICANT ITEMS)[1,2]	19.7 cps	UP 4.7%	
(STATUTORY)	18.0 cps	WAS 1.9cps	

FY19 DIVIDEND PER SHARE

(FULLY FRANKED)

22.0 cents

Notes:

1. Significant items (after tax) of $25.3m comprise benefits from ACTTAB POCT compensation of $10.6m offset by Tatts Group combination expenses regarding implementation costs $24.1m and Racing Queensland arrangements $11.8m. Refer Appendix 2
2. FY18 has been restated to reflect Sun Bets as a discontinued operation
3. Pro-forma results for FY18 include adjustments to Tabcorp's reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year

FY19 GROUP RESULTS

$m	FY19	vs Statutory pcp[1]		vs Pro-forma pcp[2]	
		FY18	Change	FY18	Change
Revenues	**5,482.2**	**3,757.3**	**45.9%**	**5,045.3**	**8.7%**
Variable contribution	1,979.2	1,501.1	31.9%	1,904.4	3.9%
Operating expenses	(914.5)	(731.6)	25.0%	(915.2)	(0.1%)
EBITDA before significant items	**1,064.7**	**769.5**	**38.4%**	**989.2**	**7.6%**
D&A	(304.1)	(247.3)	23.0%	(293.6)	3.6%
EBIT before significant items	**760.6**	**522.2**	**45.7%**	**695.6**	**9.3%**
Interest	(190.2)	(118.6)	60.4%		
Tax expense	(172.8)	(124.5)	38.8%		
NPAT before significant items	**397.6**	**279.1**	**42.5%**		
Significant items (after tax)[3]	(25.3)	(127.0)	(80.1%)		
NPAT from discontinued operations[4]	(9.8)	(123.4)	(92.1%)		
Statutory NPAT	**362.5**	**28.7**	**>100.0%**		

Notes:
1. Comparative period results include contributions from Tatts from 14 December 2017 and have been restated to reflect Sun Bets as a discontinued operation
2. Pro-forma results for FY18 include adjustments to Tabcorp's reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year
3. Significant items (after tax) of $25.3m comprise benefits from ACTTAB POCT compensation of $10.6m offset by Tatts Group combination expenses regarding implementation costs $24.1m and Racing Queensland arrangements $11.8m. Refer Appendix 2
4. Sun Bets ceased trading in July 2018

DIVERSIFIED PORTFOLIO

FY19	LOTTERIES & KENO	WAGERING & MEDIA	GAMING SERVICES	GROUP
SHARE OF REVENUE	52%	42%	6%	100%
VC MARGIN	26%	41%	95%	36%
OPEX / REVENUE	8%	23%	49%	17%
EBITDA MARGIN	18%	18%	46%	19%
EBIT MARGIN	15%	12%	22%	14%
CUSTOMERS	Lotteries: 3.3m active registered players	Wagering: 720k active customer accounts SKY: 2.4m subscribers, 5,000 commercial venues	Relationships with 3,500+ venues, which cover ~85% of gaming machines nationally	
DIGITAL SHARE OF TURNOVER	Lotteries: 23.5% Keno: 5.6%	TAB: 44.6% UBET: 34.1%	n.a.	
INTEGRATION STATUS	Lotteries: Complete Keno: On track to complete in FY20	UBET transition to complete in FY20	Substantially complete	

INTEGRATION: SYNERGIES & BUSINESS IMPROVEMENTS

SUCCESSFUL YEAR WITH SIGNIFICANT COST SAVINGS REALISED AHEAD OF PLAN

FY19 highlights

- Savings realised from consolidated management structures across the Group
- Corporate functions consolidated; back office integration completed; property rationalisation well progressed
- UBET brand change to TAB implemented across retail, race tracks and digital; savings realised in A&P and marketing; race day functions consolidated
- Fixed Odds trading consolidated delivering material uplift in UBET fixed odds yields and driving operational savings
- Core Technology program on track with new data centre commissioned and consolidation in progress; full insourcing of retail network management implemented with significant savings realised from 1 July 2019
- Implemented initiatives underpin cost synergies run rate of c.$70m into FY20

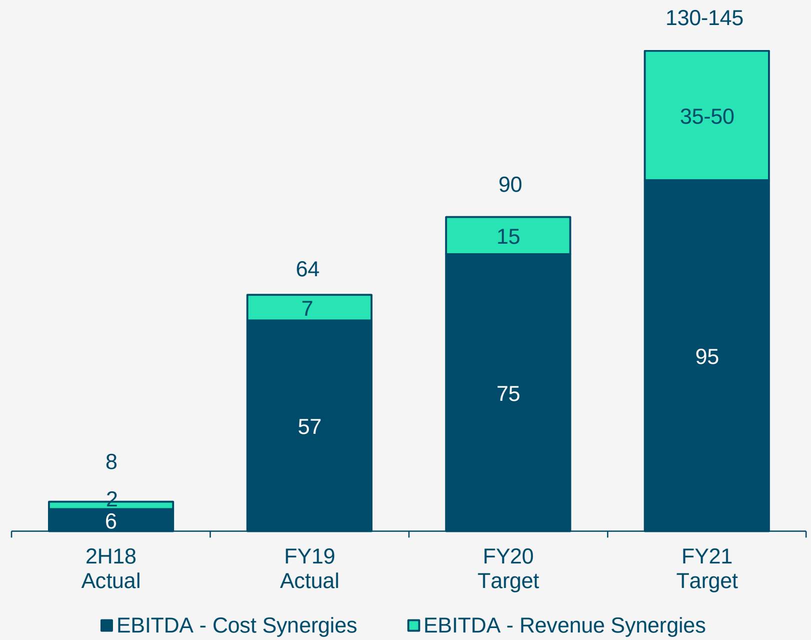
FY20 focus

- Complete Core Technology programs
- Transition UBET to full TAB offering in 2H20; timing dependent on regulatory approvals
- Progress online Keno initiatives and integration of SA Keno

Integration costs and capex

- Expected total implementation costs of $66 million after tax and integration capex of $70 million (no change)

EBITDA ($M)



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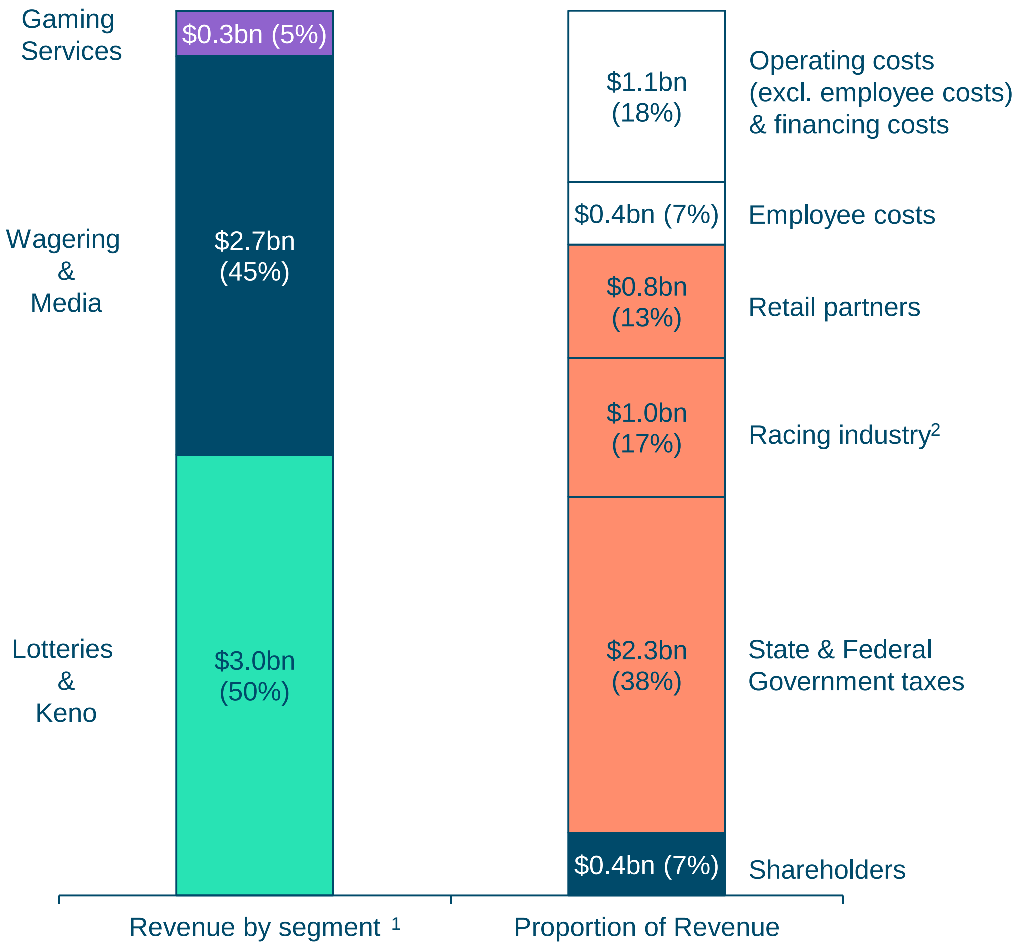
NEARLY 70% OF REVENUE RETURNED TO GOVERNMENT, RACING INDUSTRY AND RETAIL PARTNERS



Notes:

1. Total includes 100% of Victorian Racing Industry joint venture interest and 100% of Keno NSW interest
2. Represents 37% of Wagering & Media revenue

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FY19 GROUP & BUSINESS RESULTS (VS PRO-FORMA PCP)[1,2]

FY19	Lotteries & Keno		Wagering & Media		Gaming Services		Group	
	$m	Change	$m	Change	$m	Change	$m	Change
Revenues	**2,864.9**	**22.8%**	**2,312.2**	**(3.6%)**	**304.0**	**(3.5%)**	**5,482.2**	**8.7%**
Variable contribution	741.9	22.1%	944.3	(5.0%)	290.0	(3.7%)	1,979.2	3.9%
Operating expenses	(232.9)	9.4%	(528.3)	(2.5%)	(150.3)	0.8%	(914.5)	(0.1%)
EBITDA	**509.0**	**28.9%**	**416.0**	**(7.9%)**	**139.7**	**(8.1%)**	**1,064.7**	**7.6%**
D&A	(83.8)	(0.7%)	(144.2)	(0.4%)	(73.2)	12.4%	(304.1)	3.6%
EBIT	**425.2**	**36.9%**	**271.8**	**(11.5%)**	**66.5**	**(23.5%)**	**760.6**	**9.3%**
VC / Revenue %	25.9%	(0.2%)	40.8%	(0.6%)	95.4%	(0.2%)	36.1%	(1.6%)
Opex / Revenue %	8.1%	(1.0%)	22.8%	0.2%	49.4%	2.1%	16.7%	(1.4%)
EBITDA / Revenue %	17.8%	0.9%	18.0%	(0.8%)	46.0%	(2.3%)	19.4%	(0.2%)
EBIT / Revenue %	14.8%	1.5%	11.8%	(1.0%)	21.9%	(5.7%)	13.9%	0.1%

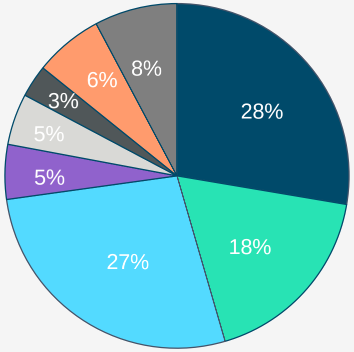
Notes:
1. Pro-forma results for FY18 include adjustments to Tabcorp's reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year
2. Business results do not aggregate to Group total due to intercompany eliminations and unallocated items. FY19 unallocated items $2.9m EBIT loss includes new Brisbane office lease costs $5.8m, partially offset by Jumbo Interactive income $3.0m (FY18 unallocated items $8.8m EBIT loss)

LOTTERIES & KENO (VS PRO-FORMA PCP)[1]

RECORD RESULT; POSITIVE STEP CHANGE IN PERFORMANCE

- Continued innovation of game portfolio
  - Game changes delivering as planned; successfully managed key portfolio initiative in Powerball, designed to deliver bigger and more frequent jackpots and more winners overall
  - Positive cross-sell impacts on other games (Set For Life, Mon/Wed Lotto)
- Upweighted investment in technology and data-led capability
  - Supports increasing membership base, upcoming omni-channel plans, and delivery of better and more personal customer experiences
- Accelerated implementation of omni-channel strategy, with new remuneration model with retail partners set to launch 19 August 2019[2]

FY19 REVENUE BY PRODUCT[3] (%)



$m	FY19	FY18	Change
Revenues	**2,864.9**	**2,332.3**	**22.8%**
Variable contribution	741.9	607.8	22.1%
Operating expenses	(232.9)	(212.9)	9.4%
EBITDA	**509.0**	**394.9**	**28.9%**
D&A	(83.8)	(84.4)	(0.7%)
EBIT	**425.2**	**310.5**	**36.9%**
VC / Revenue %	25.9%	26.1%	(0.2%)
Opex / Revenue %	8.1%	9.1%	(1.0%)
EBITDA / Revenue %	17.8%	16.9%	0.9%
EBIT / Revenue %	14.8%	13.3%	1.5%

Notes:
1. Pro-forma results for FY18 include adjustments to Tabcorp's reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year
2. Subject to regulatory approvals
3. Gross subscriptions (including commissions) less prizes payable

LOTTERIES & KENO KPIS (VS PRO-FORMA PCP)[1]

CUSTOMER ACQUISITION AND GROWTH IN ALL CHANNELS

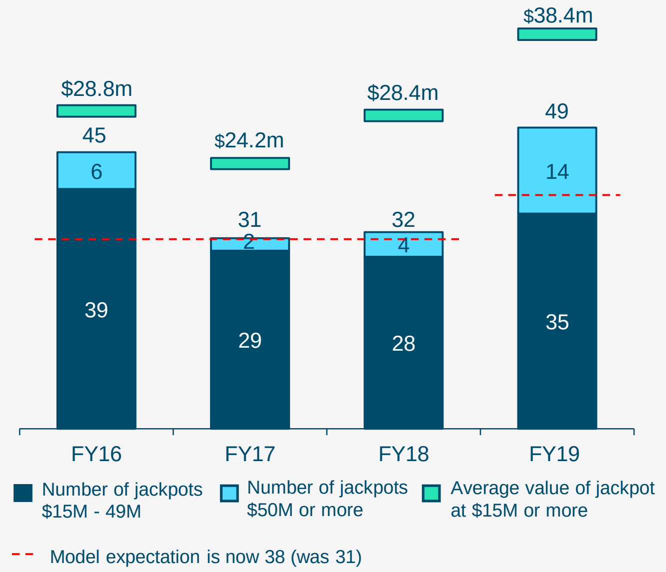
LOTTERIES

- Targeted marketing drove customer acquisition and growth in all channels during a year of favourable jackpots
  - 3.3m active registered players, up 600k or 22.2% on pcp[2]
  - Digital up 73.5% on pcp, now 23.5% of turnover
  - Retail up 17.7% on pcp
- Particularly favourable jackpot runs for Lucky Lotteries and Oz Lotto added c.$30m incremental EBIT

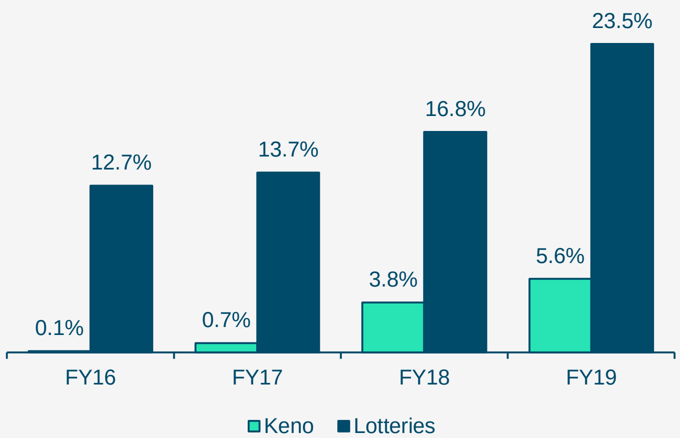
KENO

- Keno Mega Millions launched in Victoria in Sep 2018, pooling with NSW, Queensland and ACT
- 24.1k[2,3] active digital account holders (up 13.1% on pcp)

JACKPOT PERFORMANCE (POWERBALL & OZ LOTTO)



DIGITAL SHARE OF TURNOVER



Notes:
1. Pro-forma results for FY18 include adjustments to Tabcorp's reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year
2. Active registered players are measured on a rolling 12 month basis
3. ACT Keno only. NSW in-venue mobile now decommissioned

WAGERING & MEDIA: STRATEGY FOR SUSTAINED PROFITABLE MARKET LEADERSHIP

FY19

Maintain active customer base & drive value

- Step up in promotions and improved relative pricing
- Established ‘Venue Mode’ - proximity based CRM & venue exclusive offers
- Investment in data and personalisation capability
- Commenced tote reinvigoration
- Ongoing investment in customer care initiatives

Integration milestones

- Rebranded UBET to TAB
- Consolidated operations – trading, call centres, race day control
- Enhanced risk & compliance framework

FY20

Modernise, digitalise & optimise

- Establishing unique brand purpose & position for TAB
- Enhancing digitalisation of retail
- Progressively deploying data and personalisation capability
- Reinvigorating tote with more new products
- Revolutionising media offering

Integration milestones

- UBET systems fully migrated to TAB platform in 2H20 and full offering aligned with TAB
- Fully integrated TAB business

FY21

Unique, personalised customer experiences

- A seamless omni-channel experience appealing to a broader more diverse customer base
- Fully automated data & personalisation platform
- Leader in product innovation
- Contemporary, diversified distribution network
- Optimised business operations

Integration milestone

- Full year of benefits from integration realised

‘Bigger than the Bet’ with a differentiated market position

An iconic Australian racing and sports entertainment brand and the first choice for customers – the place where Australia comes to play

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WAGERING & MEDIA (VS PRO-FORMA PCP)[1]

EXECUTION OF STRATEGY ON TRACK

- A strategically important year as we integrate and transform the business
- Competition remained intense post the introduction of point of consumption tax
- TAB competed well with active customer numbers up and TAB perceived value improved[2]
- TAB turnover growth translated to reduced revenue due to the step up in generosities and higher gross yields in pcp
- UBET performance remains challenged ahead of transition to full TAB offering. A significant improvement in fixed odds yields, which are now in line with TAB, partly mitigated the decline in UBET turnover
- The transition of UBET to the full TAB offering is progressing well and is on track for completion during FY20
- Media revenue benefited from broader commercialisation of Sky digital vision
- Developed game-changing Sky Racing Active platform – launched August 2019
- Reduction in operating expenses reflect the benefits of integration synergies of $30m, which more than offset continued investment in technology related expenses
- Investment in data capability, to create more personalised customer experiences, has been accelerated

$m	FY19	FY18	Change
Revenues	**2,312.2**	**2,397.8**	**(3.6%)**
Variable contribution	944.3	993.8	(5.0%)
Operating expenses	(528.3)	(542.0)	(2.5%)
EBITDA	**416.0**	**451.8**	**(7.9%)**
D&A	(144.2)	(144.8)	(0.4%)
EBIT	**271.8**	**307.0**	**(11.5%)**
VC / Revenue %	40.8%	41.4%	(0.6%)
Opex / Revenue %	22.8%	22.6%	0.2%
EBITDA / Revenue %	18.0%	18.8%	(0.8%)
EBIT / Revenue %	11.8%	12.8%	(1.0%)

Notes:
1. Pro-forma results for FY18 include adjustments to Tabcorp's reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year
2. FiftyFive5 Brand Tracking Program (May-June 2019 survey)

WAGERING & MEDIA KPIs (VS PRO-FORMA PCP)[1]

- TAB's digital channel continued to perform well with growth of 11.2% on pcp. Digital growth slowed in 2H19, reflecting general wagering market conditions
- Fixed odds management continued to deliver market leading yields
- Generosities were focused on maintaining active customer numbers which rose 2.5% for TAB
- UBET turnover and revenue declined largely as a result of legacy offering; rate of decline relative to market growth has reduced from pre-merger levels

Fixed Odds Yields	TAB		UBET	
	FY19	FY18	FY19	FY18
Gross Yield	14.8%	15.4%	15.0%	14.0%
Generosities	(1.3%)	(0.6%)	(1.4%)	(1.1%)
Net Yield	13.5%	14.8%	13.6%	12.9%

FY19	Combined	Change	TAB	Change	UBET	Change
Turnover by distribution ($m)[2]						
Retail	7,428.5	(7.4%)	5,657.8	(6.2%)	1,770.7	(10.8%)
Digital	6,808.2	7.7%	5,637.8	11.2%	1,170.4	(6.5%)
Call Centre	460.5	(12.8%)	337.4	(8.0%)	123.1	(23.9%)
Other[3]	1,377.7	(1.5%)	1,013.5	0.6%	364.2	(6.7%)
Total	**16,074.9**	**(1.2%)**	**12,646.5**	**1.3%**	**3,428.4**	**(9.5%)**
Revenue by product ($m)[2]						
Totalisator	1,183.0	(6.3%)	919.1	(5.5%)	263.9	(9.1%)
Fixed Odds	911.9	(0.2%)	686.2	0.9%	225.7	(3.3%)
Total Racing	**2,094.9**	**(3.7%)**	**1,605.3**	**(2.9%)**	**489.6**	**(6.5%)**
Sport	252.1	(9.3%)	224.6	(8.0%)	27.5	(18.9%)
Trackside	72.4	(5.5%)	72.4	(5.5%)	-	-
Total	**2,419.4**	**(4.4%)**	**1,902.3**	**(3.6%)**	**517.1**	**(7.2%)**
Yields						
Fixed Odds Racing	14.2%	(0.4%)	14.1%	(0.9%)	14.5%	0.9%
Fixed Odds Sports	11.6%	(1.8%)	12.1%	(2.1%)	8.8%	(0.8%)
Fixed Odds	**13.5%**	**(0.8%)**	**13.5%**	**(1.3%)**	**13.6%**	**0.7%**
Other KPIs						
Active Customers[4]	720,000	0.1%	538,000	2.5%	182,000	(6.3%)
% Digital from mobile	70.4%	2.5%	72.4%	1.2%	60.7%	5.6%
% Retail from SST	58.9%	5.9%	71.4%	2.3%	12.8%	6.9%
Sky venue subscriptions (#)	4,998	(0.9%)				
Sky races broadcast (#)	134,471	6.6%				

Notes:
1. Pro-forma results for FY18 include adjustments to Tabcorp's reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year
2. Combined, TAB turnover and TAB revenue includes Victorian Racing Industry interest
3. Other turnover includes Oncourse, Premium Customers and PGI
4. Active Customers are measured on a rolling 12 month basis

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GAMING SERVICES (VS PRO-FORMA PCP)[1]

CREATING A SUSTAINABLE BASE FOR THE FUTURE

- An integrated suite of end-to-end venue solutions and a new structure under the MAX brand
  - MAX Venue Services (venue solutions, gaming systems and support services)
  - MAX Regulatory Services (monitoring and related services)
- MAX Venue Services focus on securing contract extensions and new venue sign-ups
  - Revenue decline largely due to expiry of some contracts in Victoria
  - 40% of Victorian EGM contracts extended beyond 2022 (FY18: 11%) at lower margins; FY20 EBITDA impact of $6m
  - 730 EGMs from new venue sign-ups, a net increase of 330 EGMs

EGMs	Jun 19	Jun 18	Change
Victoria	8,240	7,800	440
NSW	1,850	1,960	(110)
Total	10,090	9,760	330

  - Strong pipeline of contract extensions and new venue sign-ups going into FY20
  - Ticket In Ticket Out (TITO) development for Victoria underway – launch during FY20
- MAX Regulatory Services focus on investing in monitoring and software capabilities to support long-term growth
- Depreciation & Amortisation increase reflects amortisation of NSW monitoring licence from December 2017

$m	FY19	FY18	Change
MAX Venue Services	208.9	219.5	(4.8%)
MAX Regulatory Services	95.1	95.5	(0.4%)
Revenues	**304.0**	**315.0**	**(3.5%)**
Variable contribution	290.0	301.1	(3.7%)
Operating expenses	(150.3)	(149.1)	0.8%
EBITDA	**139.7**	**152.0**	**(8.1%)**
D&A	(73.2)	(65.1)	12.4%
EBIT	**66.5**	**86.9**	**(23.5%)**
VC / Revenue %	95.4%	95.6%	(0.2%)
Opex / Revenue %	49.4%	47.3%	2.1%
EBITDA / Revenue %	46.0%	48.3%	(2.3%)
EBIT / Revenue %	21.9%	27.6%	(5.7%)

Notes:
1. Pro-forma results for FY18 include adjustments to Tabcorp's reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year

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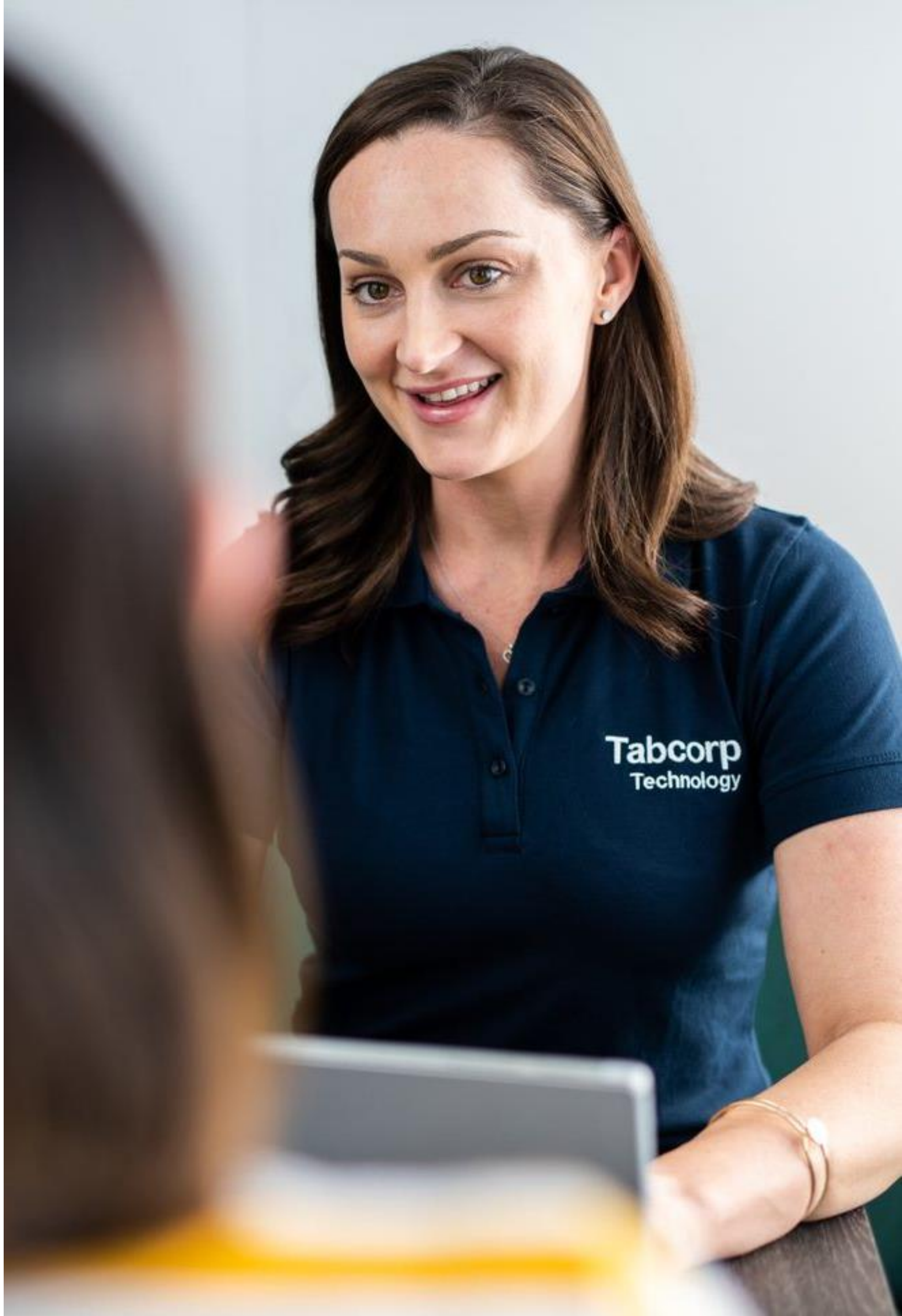
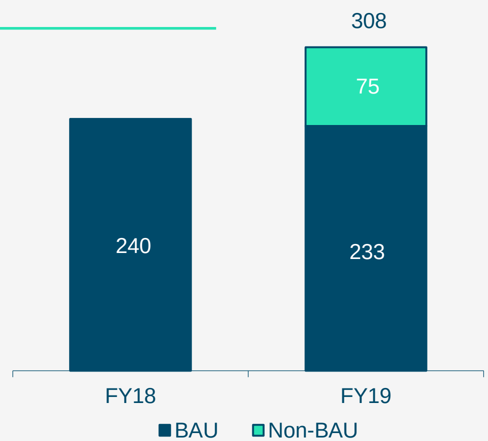


CAPITAL EXPENDITURE (VS PRO-FORMA PCP)

NON-BAU PROJECTS OF $142M ACROSS FY19 AND FY20

- FY19 BAU capex of $233m broadly in line with historical levels
- Integration capex $70m
  - FY19: $30m; FY20: $40m
- Consolidated data centre in Brisbane $38m
  - FY19: $23m; FY20: $15m
- New Brisbane workplace $34m
  - FY19: $22m; FY20: $12m
  - Offset by contracted Brisbane property divestments of $46m
- Depreciation and Amortisation impact in FY20 of c.$13m from non-BAU projects

CAPITAL EXPENDITURE ($M)



CAPITAL MANAGEMENT AND DIVIDENDS

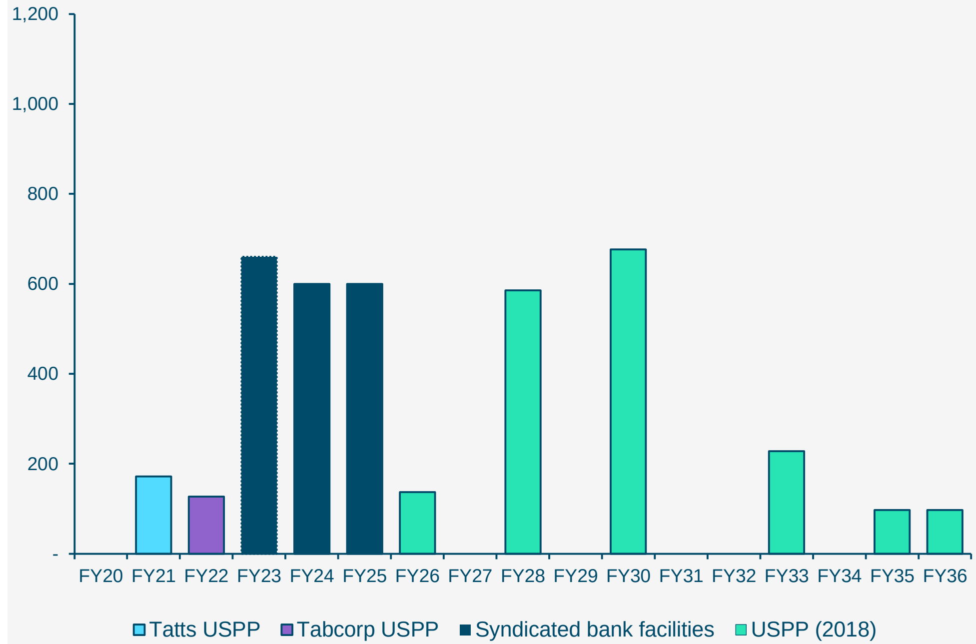
STRONG BALANCE SHEET

- Gross Debt[1] / EBITDA ratio of 3.2x at 30 June 2019; target range of 3.0-3.5x
- Syndicated bank facilities of $1.86bn extended in July 2019
- Headroom available under bank facilities of $0.5bn after repayment of Tatts Retail Bonds of $192m in July 2019
- Committed to maintaining an investment grade credit rating

DIVIDENDS

- Final dividend of 11.0 cps fully franked (2H18: 10.0 cps)
- Full year dividend of 22.0 cps fully franked (FY18: 21.0 cps); payout ratio of 100% of adjusted NPAT[2] in line with stated policy
- The Dividend Reinvestment Plan will operate for the final dividend, without any discount
- FY20 dividend payout ratio target of 100% of adjusted NPAT[2]

DEBT STRUCTURE ($M)



Notes:
1. Gross debt includes USPP debt at the A$ principal repayment under cross currency swaps
2. NPAT before significant items, amortisation of the Victorian wagering and betting licence ($34.9m) and Purchase Price Accounting ($11.6m)

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A STRONG AND DIVERSIFIED PORTFOLIO OF HIGH QUALITY BUSINESSES

Unique and attractive portfolio of businesses underpins high dividend payout ratio

- Diversified portfolio of well regulated businesses operating under iconic brands, underpinned by long-dated licences
- Large and established market positions in an industry with an attractive growth profile
- Diversified and defensive earnings, strong cash flow conversion and high dividend payout ratio

Significant future upside potential

- Ongoing shift to digital, lift in data capability and customer personalisation
- Innovation in products and experiences that build on our unique advantages
- Potential acquisitions that leverage core capabilities (focused on Australia & New Zealand)

Strong and sustainable foundations

- Experienced management team with deep industry knowledge
- Continued investment in compliance, risk management and responsible gambling initiatives
- Trusted partnerships and brands

CONCLUSION: EXCITEMENT WITH INTEGRITY

WELL POSITIONED FOR LONG TERM PROFITABLE GROWTH

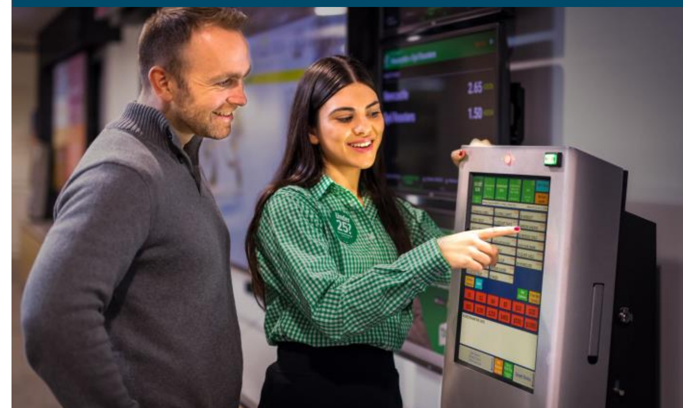
Group

- Strong and diversified business model is delivering in a period of significant change
- Ahead of schedule on targeted cost synergies; initiatives in place to deliver FY20 target
- Customer focus enhanced by investments in product innovation, data, digital, and retail modernisation

Business Units

- Lotteries & Keno has strong momentum and is well positioned to increase its share of the gambling entertainment market through game portfolio innovation and growth in digital
- Wagering & Media strategy on track to integrate and transform the business through enhanced digital and data capability; creating sustainable market leadership and future expansion opportunities
- Gaming Services is creating a solid and sustainable base from which to pursue geographic and adjacent growth opportunities

LOTTERIES & KENO



WAGERING & MEDIA

GAMING SERVICES

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1. GROUP & BUSINESS RESULTS (VS REPORTED PCP)[1,2]

FY19	Lotteries & Keno		Wagering & Media		Gaming Services		Group	
	$m	Change	$m	Change	$m	Change	$m	Change
Revenues	**2,864.9**	**>100.0%**	**2,312.2**	**9.0%**	**304.0**	**21.7%**	**5,482.2**	**45.9%**
Variable contribution	741.9	89.0%	944.3	7.6%	290.0	23.2%	1,979.2	31.9%
Operating expenses	(232.9)	69.5%	(528.3)	9.2%	(150.3)	32.1%	(914.5)	25.0%
EBITDA	**509.0**	**99.5%**	**416.0**	**5.6%**	**139.7**	**15.0%**	**1,064.7**	**38.4%**
D&A	(83.8)	49.9%	(144.2)	6.7%	(73.2)	30.2%	(304.1)	23.0%
EBIT	**425.2**	**>100.0%**	**271.8**	**5.1%**	**66.5**	**1.8%**	**760.6**	**45.7%**
VC / Revenue %	25.9%	(2.3%)	40.8%	(0.6%)	95.4%	1.2%	36.1%	(3.9%)
Opex / Revenue %	8.1%	(1.8%)	22.8%	(0.0%)	49.4%	3.8%	16.7%	(2.8%)
EBITDA / Revenue %	17.8%	(0.6%)	18.0%	(0.6%)	46.0%	(2.7%)	19.4%	(1.1%)
EBIT / Revenue %	14.8%	0.5%	11.8%	(0.4%)	21.9%	(4.3%)	13.9%	0.0%
Capex	**64.5**	**>100.0%**	**151.6**	**61.8%**	**91.5**	**35.0%**	**307.6**	**71.9%**

Notes:

1. The Group's comparative period operating segments include the Tatts Group from 14 December 2017:
   a. Wagering & Media includes the Tatts UBET Wagering business
   b. Lotteries & Keno includes the Tatts Lotteries business
   c. Gaming Services includes the Tatts MAX and MAXtech businesses
2. Business results do not aggregate to Group total due to intercompany eliminations and unallocated items

Tabcorp

2. SIGNIFICANT ITEMS (AFTER TAX)

FY19	$m
Implementation costs	24.1
Racing Queensland arrangements	11.8
Combination with Tatts Group	**35.9**
ACTTAB POCT compensation	(10.6)
Total	**25.3**

Implementation costs

- Implementation costs are non-recurring costs and comprise restructure charges, integration management office and dedicated merger implementation resources. Implementation costs incurred to 30 June 2019 were $54.1m (after tax). Total implementation costs are expected to be $66m (after tax).

Racing Queensland arrangements

- In 2017, Tabcorp and Racing Queensland (RQ) entered into a commercial arrangement in relation to the combination with the Tatts Group, under which the parties made various commitments, including that RQ consent to the Scheme of Arrangement.
- Tabcorp guaranteed minimum fees that RQ will receive under the deed of understanding with UBET Queensland in each calendar year from 2018 to 2020 inclusive. A significant item expense of $11.8m (after tax) has been recorded in respect of FY19, being the top up payment required to meet the minimum fee obligation. While necessarily uncertain, Tabcorp currently expects that it will be required to make further payments in relation to FY20 and 1H21 obligations which are not material to the Group.
- In the event Tabcorp is ultimately unsuccessful in the current dispute with Racing Queensland[1], further payments may need to be made by the Group in respect of the minimum fee obligation.

ACTTAB POCT compensation

- Proceeds from one-off compensation amount received by Tabcorp ACT (ACTTAB) following commencement of the ACT Betting Operations Tax on 1 January 2019.

Notes:

1. Refer to ASX Announcements dated 28 June 2019 and 24 July 2019 and Note E4 (c) in the Financial Statements for FY19

3. BALANCE SHEET

$m	Jun-19	Jun-18	Change
Total current assets	764.8	667.7	14.5%
Licences	2,254.4	2,361.1	(4.5%)
Other intangible assets	9,184.1	9,142.0	0.5%
Property, plant and equipment	562.0	488.2	15.1%
Other non current assets	533.8	281.8	89.4%
Total assets	**13,299.1**	**12,940.8**	**2.8%**
Total liabilities	6,092.6	5,702.2	6.8%
Shareholders' funds	**7,206.5**	**7,238.6**	**(0.4%)**
Net debt (reported)	3,255.9	3,135.8	3.8%
Net debt (economic)[1]	3,243.4	3,161.5	2.6%
Shares on issue (m)	2,019.3	2,013.0	0.3%
Ratios			
Gross debt[2] / EBITDA (x)	3.2	3.4	
EBIT / Net interest (x)	4.0	4.1	

Notes:

1. Net debt (economic) includes USPP debt at the A$ principal repayment under cross currency swaps and excludes restricted cash of $274.6m
2. Gross debt includes USPP debt at the A$ principal repayment under cross currency swaps

Tabcorp

4. CASH FLOW

$m	Jun-19	Jun-18	Change
Net operating cash flows[1]	1,186.5	768.2	54.5%
Net interest paid	(196.2)	(148.6)	32.0%
Income tax paid	(184.0)	(126.1)	45.9%
Payments for PP&E and intangibles	(278.4)	(282.3)	(1.4%)
Sub-total	**527.9**	**211.2**	**>100.0%**
Sun Bets operating cash flows and costs relating to closure[2]	(91.5)	(55.4)	65.2%
Ordinary dividends paid	(393.0)	(313.8)	25.2%
Payment for cash-settled equity swap	-	300.2	n/m
Payment for business acquisition, including net debt acquired	-	(1,451.8)	n/m
Proceeds from business divestment, net of cash divested	-	13.2	n/m
Settlement of dividends payable by business acquired	-	(235.0)	n/m
Payment for exercise of call option	(8.2)	-	n/m
Proceeds from sale of shares in an associate	12.1	-	n/m
Payment for financial assets	(93.1)	-	n/m
Other	3.5	(0.1)	>100.0%
Net cash flow	**(42.3)**	**(1,531.5)**	**(97.2%)**
Net debt at beginning of period	**3,135.8**	**1,544.0**	**>100.0%**
Non cash movements	77.8	60.3	29.0%
Net debt at end of period	**3,255.9**	**3,135.8**	**3.8%**

Notes:
1. FY19 net operating cash flows include cash outflows of $19.3m relating to significant items (FY18 $82.6m)
2. FY19 cashflows includes the exit payment relating to the Sun Bets discontinued operation amounting to $72.0m with additional amounts of $19.5m relating to trading and other closure costs

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5A. GROUP RESULTS (VS PRO-FORMA PCP)[1]

$m	1H19	1H18	Change	2H19	2H18	Change	FY19	FY18	Change
Revenues	**2,787.4**	**2,626.2**	**6.1%**	**2,694.8**	**2,419.1**	**11.4%**	**5,482.2**	**5,045.3**	**8.7%**
Variable contribution	1,013.3	982.7	3.1%	965.9	921.7	4.8%	1,979.2	1,904.4	3.9%
Operating expenses	(459.0)	(474.0)	(3.2%)	(455.5)	(441.2)	3.2%	(914.5)	(915.2)	(0.1%)
EBITDA	**554.3**	**508.7**	**9.0%**	**510.4**	**480.5**	**6.2%**	**1,064.7**	**989.2**	**7.6%**
D&A	(149.6)	(145.1)	3.1%	(154.5)	(148.5)	4.0%	(304.1)	(293.6)	3.6%
EBIT	**404.7**	**363.6**	**11.3%**	**355.9**	**332.0**	**7.2%**	**760.6**	**695.6**	**9.3%**
VC / Revenue %	36.4%	37.4%	(1.0%)	35.8%	38.1%	(2.3%)	36.1%	37.7%	(1.6%)
Opex / Revenue %	16.5%	18.0%	(1.5%)	16.9%	18.2%	(1.3%)	16.7%	18.1%	(1.4%)
EBITDA / Revenue %	19.9%	19.4%	0.5%	18.9%	19.9%	(1.0%)	19.4%	19.6%	(0.2%)
EBIT / Revenue %	14.5%	13.8%	0.7%	13.2%	13.7%	(0.5%)	13.9%	13.8%	0.1%

Notes:
1. Pro-forma results for FY18 include adjustments to Tabcorp’s reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year

5B. LOTTERIES & KENO (VS PRO-FORMA PCP)[1]

$m	1H19	1H18	Change	2H19	2H18	Change	FY19	FY18	Change
Lotteries Revenues	1,292.8	1,080.9	19.6%	1,349.1	1,031.3	30.8%	2,641.9	2,112.2	25.1%
Keno Revenues	116.4	112.2	3.7%	106.6	107.9	(1.2%)	223.0	220.1	1.3%
Revenues	**1,409.2**	**1,193.1**	**18.1%**	**1,455.7**	**1,139.2**	**27.8%**	**2,864.9**	**2,332.3**	**22.8%**
Lotteries Variable contribution	300.1	245.6	22.2%	316.6	239.2	32.4%	616.7	484.8	27.2%
Keno Variable contribution	65.4	63.1	3.6%	59.8	59.9	(0.2%)	125.2	123.0	1.8%
Variable contribution	**365.5**	**308.7**	**18.4%**	**376.4**	**299.1**	**25.8%**	**741.9**	**607.8**	**22.1%**
Operating expenses	(113.3)	(109.0)	3.9%	(119.6)	(103.9)	15.1%	(232.9)	(212.9)	9.4%
EBITDA	**252.2**	**199.7**	**26.3%**	**256.8**	**195.2**	**31.6%**	**509.0**	**394.9**	**28.9%**
D&A	(42.1)	(42.2)	(0.2%)	(41.7)	(42.2)	(1.2%)	(83.8)	(84.4)	(0.7%)
EBIT	**210.1**	**157.5**	**33.4%**	**215.1**	**153.0**	**40.6%**	**425.2**	**310.5**	**36.9%**
Lotteries VC / Revenue %	23.2%	22.7%	0.5%	23.5%	23.2%	0.3%	23.3%	23.0%	0.3%
Keno VC / Revenue %	56.2%	56.2%	0.0%	56.1%	55.5%	0.6%	56.1%	55.9%	0.2%
VC / Revenue %	25.9%	25.9%	0.0%	25.9%	26.3%	(0.4%)	25.9%	26.1%	(0.2%)
Opex / Revenue %	8.0%	9.1%	(1.1%)	8.2%	9.1%	(0.9%)	8.1%	9.1%	(1.0%)
EBITDA / Revenue %	17.9%	16.7%	1.2%	17.6%	17.1%	0.5%	17.8%	16.9%	0.9%
EBIT / Revenue %	14.9%	13.2%	1.7%	14.8%	13.4%	1.4%	14.8%	13.3%	1.5%

Notes:
1. Pro-forma results for FY18 include adjustments to Tabcorp's reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year

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5C. WAGERING & MEDIA (VS PRO-FORMA PCP)[1]

$m	1H19	1H18	Change	2H19	2H18	Change	FY19	FY18	Change
Revenues	**1,221.8**	**1,270.4**	**(3.8%)**	**1,090.4**	**1,127.4**	**(3.3%)**	**2,312.2**	**2,397.8**	**(3.6%)**
Variable contribution	498.4	518.3	(3.8%)	445.9	475.5	(6.2%)	944.3	993.8	(5.0%)
Operating expenses	(267.8)	(278.9)	(4.0%)	(260.5)	(263.1)	(1.0%)	(528.3)	(542.0)	(2.5%)
EBITDA	**230.6**	**239.4**	**(3.7%)**	**185.4**	**212.4**	**(12.7%)**	**416.0**	**451.8**	**(7.9%)**
D&A	(71.0)	(73.0)	(2.7%)	(73.2)	(71.8)	1.9%	(144.2)	(144.8)	(0.4%)
EBIT	**159.6**	**166.4**	**(4.1%)**	**112.2**	**140.6**	**(20.2%)**	**271.8**	**307.0**	**(11.5%)**
VC / Revenue %	40.8%	40.8%	0.0%	40.9%	42.2%	(1.3%)	40.8%	41.4%	(0.6%)
Opex / Revenue %	21.9%	22.0%	(0.1%)	23.9%	23.3%	0.6%	22.8%	22.6%	0.2%
EBITDA / Revenue %	18.9%	18.8%	0.1%	17.0%	18.8%	(1.8%)	18.0%	18.8%	(0.8%)
EBIT / Revenue %	13.1%	13.1%	0.0%	10.3%	12.5%	(2.2%)	11.8%	12.8%	(1.0%)

Notes:
1. Pro-forma results for FY18 include adjustments to Tabcorp's reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year

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5D. GAMING SERVICES (VS PRO-FORMA PCP)[1]

$m	1H19	1H18	Change	2H19	2H18	Change	FY19	FY18	Change
Venue Services Revenues	107.2	113.1	(5.2%)	101.7	106.4	(4.4%)	208.9	219.5	(4.8%)
Regulatory Services Revenues	48.6	49.2	(1.2%)	46.5	46.3	0.4%	95.1	95.5	(0.4%)
Revenues	**155.8**	**162.3**	**(4.0%)**	**148.2**	**152.7**	**(2.9%)**	**304.0**	**315.0**	**(3.5%)**
Variable contribution	147.9	154.9	(4.5%)	142.1	146.2	(2.8%)	290.0	301.1	(3.7%)
Operating expenses	(74.1)	(74.7)	(0.8%)	(76.2)	(74.4)	2.4%	(150.3)	(149.1)	0.8%
EBITDA	**73.8**	**80.2**	**(8.0%)**	**65.9**	**71.8**	**(8.2%)**	**139.7**	**152.0**	**(8.1%)**
D&A	(36.4)	(30.1)	20.9%	(36.8)	(35.0)	5.1%	(73.2)	(65.1)	12.4%
EBIT	**37.4**	**50.1**	**(25.4%)**	**29.1**	**36.8**	**(20.9%)**	**66.5**	**86.9**	**(23.5%)**
VC / Revenue %	94.9%	95.4%	(0.5%)	95.9%	95.7%	0.2%	95.4%	95.6%	(0.2%)
Opex / Revenue %	47.6%	46.0%	1.6%	51.4%	48.7%	2.7%	49.4%	47.3%	2.1%
EBITDA / Revenue %	47.4%	49.4%	(2.0%)	44.5%	47.0%	(2.5%)	46.0%	48.3%	(2.3%)
EBIT / Revenue %	24.0%	30.9%	(6.9%)	19.6%	24.1%	(4.5%)	21.9%	27.6%	(5.7%)

Notes:
1. Pro-forma results for FY18 include adjustments to Tabcorp's reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year

6. WAGERING: TAB & UBET KPIs[1]

	TAB						UBET					
	1H19	Change	2H19	Change	FY19	Change	1H19	Change	2H19	Change	FY19	Change
Turnover by distribution ($m)[2]												
Retail	3,014.6	(5.6%)	2,643.2	(7.0%)	5,657.8	(6.2%)	955.1	(10.0%)	815.6	(11.8%)	1,770.7	(10.8%)
Digital	2,944.8	15.3%	2,693.0	7.0%	5,637.8	11.2%	639.3	(2.5%)	531.1	(10.9%)	1,170.4	(6.5%)
Call Centre	167.7	(13.9%)	169.7	(1.3%)	337.4	(8.0%)	70.1	(18.7%)	53.0	(29.8%)	123.1	(23.9%)
Other[3]	541.4	(3.1%)	472.1	5.2%	1,013.5	0.6%	194.5	(5.2%)	169.7	(8.4%)	364.2	(6.7%)
Total	**6,668.5**	**2.6%**	**5,978.0**	**0.0%**	**12,646.5**	**1.3%**	**1,859.0**	**(7.4%)**	**1,569.4**	**(11.9%)**	**3,428.4**	**(9.5%)**
Revenue by product ($m)[2]												
Totalisator	499.7	(5.1%)	419.4	(6.0%)	919.1	(5.5%)	145.7	(7.5%)	118.2	(11.0%)	263.9	(9.1%)
Fixed Odds	348.7	(3.6%)	337.5	5.9%	686.2	0.9%	115.6	(6.6%)	110.1	0.5%	225.7	(3.3%)
Total Racing	**848.4**	**(4.5%)**	**756.9**	**(1.0%)**	**1,605.3**	**(2.9%)**	**261.3**	**(7.1%)**	**228.3**	**(5.8%)**	**489.6**	**(6.5%)**
Sport	120.7	1.4%	103.9	(16.9%)	224.6	(8.0%)	15.2	(9.5%)	12.3	(28.1%)	27.5	(18.9%)
Trackside	39.4	(1.3%)	33.0	(10.1%)	72.4	(5.5%)	-	-	-	-	-	-
Total	**1,008.5**	**(3.7%)**	**893.8**	**(3.5%)**	**1,902.3**	**(3.6%)**	**276.5**	**(7.2%)**	**240.6**	**(7.3%)**	**517.1**	**(7.2%)**
Yields												
Fixed Odds Racing	13.5%	(1.8%)	14.6%	0.0%	14.1%	(0.9%)	13.8%	0.3%	15.4%	1.7%	14.5%	0.9%
Fixed Odds Sports	13.5%	(1.6%)	10.7%	(2.7%)	12.1%	(2.1%)	9.4%	(0.7%)	8.1%	(1.0%)	8.8%	(0.8%)
Total Fixed Odds	**13.5%**	**(1.7%)**	**13.5%**	**(0.8%)**	**13.5%**	**(1.3%)**	**13.1%**	**0.1%**	**14.1%**	**1.3%**	**13.6%**	**0.7%**
Other KPIs												
Active Customers[4]	533,000	6.7%	538,000	2.5%	538,000	2.5%	190,000	1.3%	182,000	(6.3%)	182,000	(6.3%)
% Digital from mobile	72.4%	1.3%	72.5%	1.2%	72.4%	1.2%	59.2%	5.3%	62.5%	6.2%	60.7%	5.6%
% Retail from SST	70.8%	3.0%	72.5%	1.9%	71.4%	2.3%	11.7%	8.4%	14.0%	5.3%	12.8%	6.9%

Notes:
1. Pro-forma results for FY18 include adjustments to Tabcorp's reported results to facilitate examination of the financial performance of the combined group as if the Tatts combination had been in place for the full year
2. Combined, TAB turnover and TAB revenue includes Victorian Racing Industry interest
3. Other turnover includes Oncourse, Premium Customers and PGI
4. Active Customers are measured on a rolling 12 month basis

7. GLOSSARY

Term	Definition
1H	Six months ended 31 December of the relevant financial year
2H	Six months ended 30 June of the relevant financial year
ACT	Australian Capital Territory
ACTTAB	The Tabcorp business located in the ACT
ASX	Australian Securities Exchange
BAU	Business as Usual
Combination	The Tabcorp-Tatts combination which was implemented in December 2017
CRM	Customer Relationship Management
D&A	Depreciation, Amortisation and impairment
DPS	Dividends Per Share
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation, Amortisation and impairment
EGM	Electronic Gaming Machine
EPS	Earnings Per Share
Financial year / FY	The Group's financial year is 1 July to 30 June
Gaming Services	The Group's business that provides services to licensed gaming venues and EGM monitoring services
Group	The Tabcorp group of companies
Keno	A game of chance that is played approximately every three minutes and part of the Group's Lotteries and Keno business

Term	Definition
Lotteries and Keno	The Group's business that operates lotteries and Keno, which are games of chance
MAX	The Group's Gaming Services brand
NPAT	Net Profit After Tax
OPEX	Net operating expenses
PCP	Prior Comparison Period
PGI	The Premier Gateway International joint venture operating from the Isle of Man
PPA	Purchase Price Accounting
POCT	Point of Consumption Tax
RQ	Racing Queensland
Sky Racing	Part of the Group's Media business, broadcasting racing and sport throughout Australia and internationally
Sun Bets	The online wagering and gaming business located in the United Kingdom which ceased trading in July 2018
TAB	The Group's wagering brand
Tatts or Tatts Group	Tatts Group Limited (ABN 19 108 686 040) which was acquired by Tabcorp Holdings Limited in December 2017
The Lott	Umbrella brand for the entire lotteries business
UBET	The part of the Group's wagering business acquired as part of the Combination
USPP	US Private Placement
VC	Variable Contribution
Wagering and Media	The Group's business that operates fixed odds and pari-mutuel betting products and services on racing, sport and novelty products, and racing and sports broadcasting

DISCLAIMER

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

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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.

Tabcorp

the Lott
Australia's Official Lotteries

KENO

TAB

SKY RACING

MAX