

LEGAL PROCEEDINGS AGAINST THE STATE OF VICTORIA

Tatts Group Limited (**Tatts**) advises that the Supreme Court of Victoria has today found in favour of Tatts in the proceedings commenced by it against the State of Victoria for compensation on the expiry of its gaming operator's licence on 15 August 2012.

The Court has found the State is liable to pay Tatts \$451,157,286. Orders regarding interest and costs will be made tomorrow. Tatts considers that the amount of interest as at 26 June 2014 is approximately \$89.1 million. The total amount received by Tatts will be subject to applicable tax.

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

Further details will be provided once orders on interest and costs have been made and once it is known if the State will appeal the decision.

Contact:

Robbie Cooke
CEO & Managing Director
(07) 3435 4478