

29 January 2016

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



**TABCORP SUBORDINATED NOTES (TAHHB) –
QUARTERLY REPORT TO TRUSTEE AND ASIC**

Please find attached a copy of the report to the Trustee and ASIC in respect of the Company's Tabcorp Subordinated Notes issue for the quarter ending 31 December 2015.

Yours faithfully

A blue ink signature of Michael Scott, consisting of a stylized 'M' followed by a long horizontal flourish.

Michael Scott
Company Secretary

Tabcorp
Holdings Limited

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Melbourne VIC
Australia 3004

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www.tabcorp.com.au
ABN 66 063 780 709

29 January 2016

Attention: Corporate Trust
Australian Executor Trustees Limited
207 Kent Street
Sydney NSW 2000
Fax: (02) 9028 5942

Dear Sirs

Tabcorp Subordinated Notes (ASX code: TAHHB)

Tabcorp Subordinated Notes Trust Deed dated 14 February 2012 between Tabcorp Holdings Limited ("Tabcorp") and Australian Executor Trustees Limited ("Trustee") ("Trust Deed")



We now provide the Quarterly Report for the period ending 31 December 2015 ("**Quarterly Period**"). This report is made on 28 January 2016, in accordance with section 283BF of the Corporations Act 2001 ("**Corporations Act**").

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Holdings Limited

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1. Section 283BF(4) of the Corporations Act

- a. Tabcorp has complied with the terms of the Tabcorp Subordinated Notes ("**Terms**"), the Trust Deed and Chapter 2L of the Corporations Act during the Quarterly Period.
- b. No event has happened during the Quarterly Period that has caused, or could cause, one or more of the following:
 - i. any amount deposited or lent under the Tabcorp Subordinated Notes to become immediately payable;
 - ii. the Tabcorp Subordinated Notes to become immediately enforceable; or
 - iii. any other right or remedy under the Terms or provisions of the Trust Deed to become immediately enforceable.
- c. Subject to the disclosure below, no circumstances arose during the Quarterly Period that materially prejudices Tabcorp or any of its subsidiaries.

It should be noted that on 22 July 2015, AUSTRAC commenced civil proceedings in the Federal Court of Australia against Tabcorp, Tab Limited and Tabcorp Wagering (Vic) Pty Ltd alleging various breaches by those entities of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth). Tabcorp made announcements to the Australian Securities Exchange on 22 and 24 July 2015, and also on 13 October 2015, in respect of this matter. Tabcorp filed its defence on 13 October 2015 and filed an amended defence on 7 January 2016. The hearing is scheduled to commence in September 2016.
- d. There has been no substantial change in the nature of the business of Tabcorp or any of its subsidiaries that has occurred during the Quarterly Period.
- e. None of the following events happened during the Quarterly Period:
 - i. the appointment of a guarantor;

- ii. the cessation of liability of a guarantor body for the payment of the whole or part of the money for which it was liable under any guarantee; or
 - iii. a change of name of a guarantor.
- f. Tabcorp has not created any charge during the Quarterly Period.
- g. Tabcorp is not aware of any other matters that have arisen during the Quarterly Period which may materially prejudice the interests of the Tabcorp Subordinated Note holders. The disclosure at item 1(c) above should however be noted.

2. Section 283BF(5) of the Corporations Act

- a. Tabcorp has unsecured intercompany loans with various related bodies corporate, which are funded in the ordinary course of Tabcorp's business.
- b. As at the end of the Quarterly Period, the total amount owing by related entities to Tabcorp was \$1,604.60 million. This represents an increase of \$196.00 million owing by related entities to Tabcorp since 30 September 2015. This amount is unsecured.

3. Section 283BF(6) of the Corporations Act

With the exception of the disclosure below, Tabcorp did not assume a liability of a related body corporate during the Quarterly Period.

It should be noted that on 10 December 2015, Tabcorp and one of its wholly owned subsidiaries entered into an agreement with News Group Newspapers Limited (News) relating to the launch of a new online business in the UK. Under that agreement, Tabcorp agreed to provide a payment guarantee to News in relation to payment obligations of that subsidiary. Tabcorp made an announcement to the Australian Securities Exchange on 10 December 2015 in respect of this new online business.

In accordance with a Resolution of the Directors of
Tabcorp Holdings Limited



David Attenborough
Managing Director



Michael Scott
Company Secretary

Cc: Australian Securities & Investments Commission