

ASX Announcement

28 March 2018



Tatts Group Limited - Tatts Bonds Quarterly Report

Please find attached a signed copy of the Tatts Group Quarterly Report to the Trustee and ASIC for the period ending 1 March 2018.

28 March 2018

The Directors
Australian Executor Trustees Limited
Level 22, 207 Kent Street
SYDNEY NSW 2000

Dear Sirs

Tatts Group Limited – Tatts Bonds Trust

Quarterly Report as required by section 283BF of the Corporations Act 2001 (Cth)

This report is provided by Tatts Group Limited (**Tatts**) to the Trustee and ASIC in accordance with section 283BF of the *Corporations Act 2001* (Cth) (**Corporations Act**) and Clause 13.1(d)(iv) of the Tatts Bonds Trust Deed between Tatts and Australian Executor Trustees Limited dated 28 May 2012 (**Trust Deed**).

This report is in relation to the quarter ending 1 March 2018.

- a) Tatts has not failed to comply with the terms of the Tatts Bonds, provisions of the Trust Deed, or Chapter 2L of the Corporations Act 2001 (Cth);
- b) Except as set out below, no event has occurred during the period that has caused one or more of the following to occur:
 - i. Any amount deposited or lent under the Tatts Bonds to become immediately payable;
 - ii. The Tatts Bonds to become immediately enforceable;
 - iii. Any other right or remedy under the terms of the Tatts Bonds or the provisions of the Trust Deed to become immediately enforceable;

Pursuant to a scheme of arrangement between Tatts and its shareholders, Tatts became a wholly owned subsidiary of Tabcorp Holdings Limited (**Tabcorp**) on 22 December 2017, which gave rise to a Change of Control Event under the terms of the Tatts Bonds. Accordingly, holders of Tatts Bonds were entitled to require Tatts to redeem their Tatts Bonds as a result of the Change of Control Event having occurred. Tatts received Change of Control Event Redemption Exercise Notices in respect of 26,752 Tatts Bonds. Redemption payments were paid by Tatts for the Tatts Bonds which were redeemed, and these Tatts Bonds were cancelled on 22 February 2018;

- c) No circumstances have occurred during the quarter that materially prejudice:
 - i. Tatts or any of its subsidiaries; or

- ii. Any security interest included in or created by the Tatts Bonds or the Trust Deed;
- d) There has been no substantial change in the nature of the business of Tatts or any of its subsidiaries, or any guarantors that has occurred during the period;
- e) None of the following events has occurred during the period:
 - i. The appointment of a guarantor;
 - ii. The cessation of a liability of a guarantor body for the payment of the whole or part of the money for which it is liable under the guarantee;
 - ii. The change of name of a guarantor;
- f) No security interest has been created by Tatts during the period and no advances are outstanding in relation to any security interest;
- g) No matters have occurred that materially prejudice the interests of the Tatts Bonds holders;
- h) Tatts has unsecured intercompany loans with various related bodies corporate, which are funded in the ordinary course of Tatts' business; and
- i) As at the end of the period at 1 March 2018, the total amount owing by related bodies corporate to Tatts was A\$2,014.1 million. A\$260.3 million was lent to related bodies corporate during the period.

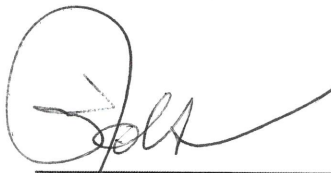
Pursuant to section 283BF(6) of the Corporations Act we advise that, during the period:

- (A) by way of an Assumption Deed dated 9 January 2018 Tatts became party to the Deed of Cross Guarantee dated 25 November 2009 between Tabcorp and other members of the Tabcorp group of companies (as amended from time to time); and
- (B) Tatts acceded to and granted a guarantee and indemnity in connection with the following facilities (with the contingent liabilities referenced below indicating the amounts outstanding under these facilities as at 1 March 2018):
 - a. Tabcorp's \$4.35 billion Syndicated Facility Agreement dated 12 December 2017 (A\$2,804 million outstanding under this facility);
 - b. Tabcorp's US\$87 million US private placement notes due April 2019 and US\$133 million US private placement notes due April 2022 (US\$220 million in aggregate outstanding under these notes);
 - c. various operational and transactional banking facilities maintained by the Tabcorp group (A\$35 million outstanding under these facilities); and

- d. various interest rate and currency swaps entered into by the Tabcorp group in connection with the above (A\$1.5 billion outstanding under these instruments).

This report is made in accordance with a resolution of the Directors of Tatts dated 28 March 2018.

Yours faithfully



Damien Johnston
Director



David Attenborough
Director