



Love the game

At the front

- 1 Vision, Mission & Purpose
- 2 Information about Tabcorp
- 4 Financial performance
- 5 Financial benefits to stakeholders
- 6 Chairman's message
- 8 Chief Executive Officer's message
- 10 Wagering and Media business
- 12 Gaming Services business
- 14 Keno business
- 16 Sustainability
- 16 Responsible gambling
- 18 People
- 20 Community
- 21 Environment
- 22 Corporate governance
- 24 Board of Directors
- 26 Senior Executive Leadership Team

With the financials

- 28 Directors' report
- 39 Remuneration report
- 57 Income statement
- 58 Balance sheet
- 59 Cash flow statement
- 60 Statement of changes in equity
- 61 Notes to the concise financial statements
- 63 Directors' declaration
- 64 Independent auditor's report
- 65 Five year review

At the back

- 66 Shareholder information
- 68 Online shareholder services
- 69 Company directory
- 69 Key dates

About the Annual Report

Tabcorp's Annual Report consists of two documents – the Concise Annual Report (which incorporates the concise financial statements) and the full financial report. The concise financial statements included in the Concise Annual Report comprise extracts from the full financial report and are derived from the full financial report. The Concise Annual Report cannot be expected to provide as full an understanding of Tabcorp's performance, financial position and investing activities as provided by the full financial report. A copy of Tabcorp's financial report is available, free of charge, on request and can be accessed via the Company's website at www.tabcorp.com.au.

Notice of meeting

The Annual General Meeting of Tabcorp Holdings Limited will be held at the Clarendon Ballroom, The Langham Melbourne, 1 Southgate Avenue, Southbank (Melbourne), Victoria on Thursday, 29 October 2015 at 10.00am (AEDT).





Tabcorp's Vision

To be the most valuable player in the global gambling entertainment industry.

Tabcorp's Mission & Purpose

We create experiences that bring alive the passion, thrills and enjoyment of the Australian way of life.

We give back to the community and take our social responsibilities seriously.

We want you to love the game like we do.



Tabcorp is a leading Australian gambling entertainment company

- Diversified across three businesses: Wagering and Media, Gaming Services, and Keno.
- Holding secure long term licences in Australia's most attractive markets.
- Possessing a portfolio of iconic Australian brands with market-leading positions.
- Operating a unique multi-product, multi-channel model.
- A top 100 public company listed on the Australian Securities Exchange and one of the world's largest publicly listed gambling companies.
- Recognised as a global industry leader in responsible gambling.
- Employing more than 3,000 people.

Delivering enjoyment to millions of customers



Achievements in the year

- Strong performance by the Wagering and Media business, reflecting market leadership in fixed odds and digital wagering.
- ACTTAB acquisition completed, strengthening Wagering and Media portfolio.
- Gaming Services extended a number of contracts with Victorian venues and signed new venues in NSW.
- Keno rebrand launched.
- Agreements in place for Victorian and NSW thoroughbred media rights.
- Completed 1 for 12 pro rata accelerated renounceable entitlement offer with retail entitlements trading.



Our FY16 focus is on:

- Maintaining market leadership in wagering through digital integration across retail, product expansion and innovation, supported by strong customer engagement.
- Enhancing the Sky Thoroughbred Central channel.
- Expanding TGS with additional venue sign-ups and improving the performance of existing venues.
- Progressing the Keno brand and product transformation, and commencing Keno jackpot pooling with Queensland, subject to regulatory approvals.
- Achieving our 14% target return on invested capital by FY17.
- Ensuring the highest levels of regulatory compliance and resolving matters raised by AUSTRAC as a priority.

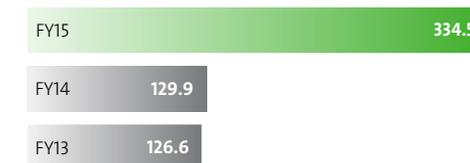
Tabcorp's businesses are performing well and are strongly positioned for the future

Financial performance

- Statutory net profit after tax (NPAT) of \$334.5 million, up 157.5% comprising:
 - NPAT from continuing operations before significant items of \$171.3 million, up 14.7%.
 - NPAT from significant items of \$163.2 million relating to income tax benefits¹.
- Earnings before interest, tax, depreciation and amortisation (EBITDA) before significant items of \$508.1 million, up 4.5%.
- Operating expenses of \$458.6 million, up 5.8%. Excluding \$14 million relating to ACTTAB acquisition, operating expenses were up 2.6%.
- Revenues of \$2,155.5 million, up 5.7%.
- Statutory earnings per share (EPS) of 42.4 cents per share, up 146.5%
 - EPS from continuing operations before significant items of 21.7 cents per share, up 9.6%.
- Full year ordinary dividends totalled 20 cents per share fully franked representing a payout ratio of 93% of NPAT from continuing operations before significant items.
- Special dividend of 30 cents per share fully franked paid in March 2015.

The 2016 financial year target dividend payout ratio to increase to 90% of NPAT before amortisation of the Victorian Wagering and Betting Licence

Net profit after tax¹ \$ million



Revenue² \$ million



EBITDA before significant items^{2,3} \$ million

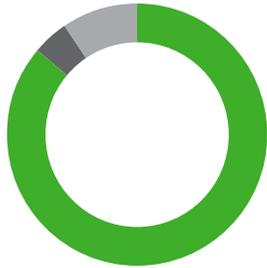


Dividends per share⁴ Cents per share (fully franked)

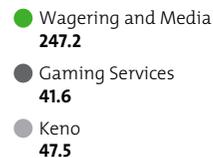
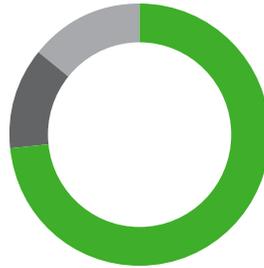


Financial benefits to stakeholders

Revenue by business
\$ million



EBIT by business⁵
\$ million



For the year ended 30 June	FY15 \$m	FY14 \$m	Change %
Revenue	2,155.5	2,039.8	5.7
Taxes, levies, commission and fees	(1,188.8)	(1,120.3)	6.1
Operating expenses	(458.6)	(433.4)	5.8
Depreciation and amortisation	(173.5)	(164.4)	5.5
EBIT	334.6	321.7	4.0
NPAT (including discontinued operations)	334.5	129.9	157.5

Notes:

1. FY15 NPAT was positively impacted by income tax benefits relating to the Victorian Wagering and Gaming Licences payment and the NSW Trackside payment and associated interest income, which totalled \$163.2 million.
2. Refers to continuing operations.
3. EBITDA is non-IFRS financial information.
4. Dividends include a special dividend of 30 cents per share paid in March 2015.
5. Business results do not aggregate to Group total due to unallocated items.

- Taxes on gambling paid \$459.6 million, up 4.6%.
- Returns to the racing industry of \$773.2 million, up 5.2%:
 - Victorian racing industry received \$348.6 million.
 - New South Wales racing industry received \$263.3 million.
 - Race field fees of \$91.7 million.
 - Broadcast rights and international contributions of \$69.6 million.
- Income taxes paid and payable of \$84.8 million, up 27.1%.
- Voluntary contributions of \$0.7 million to support community not-for-profit organisations.

Tabcorp's businesses generated more than \$1.2 billion in gambling taxes and racing industry funding in the 2015 financial year, highlighting the value that Tabcorp's operations provide to stakeholders

Chairman's message



“The strong FY15 financial performance, growth initiatives and effective capital management have enabled Tabcorp to deliver increased returns to shareholders.”

I am pleased to present the 2015 Tabcorp Annual Report.

The 2015 financial year (FY15) was a successful one for Tabcorp. We have strengthened our position as a leading Australian gambling entertainment company and operator of one of the world's largest Wagering businesses. Our Group is diversified, with market-leading brands and an extensive customer base. The Company is well placed to continue to maximise value for its shareholders.

Financial and strategic highlights

Tabcorp reported Net Profit After Tax (NPAT) of \$334.5 million in FY15, up 157.5% on the prior financial year. This reflected strong operational performance and one-off income tax benefits relating to the Victorian Wagering and

Gaming licences payment and the NSW Trackside payment. NPAT from continuing operations before significant items was \$171.3 million, up 14.7%. Group revenues were \$2,155.5 million, up 5.7%.

The Group result was underpinned by a strong performance by our Wagering and Media business. Tabcorp has been competing strongly in the competitive wagering environment and we continue to lead the market. Customers are responding to our wagering offer, which is an endorsement of the investments we have made in integrating our unique retail, digital and media assets, as well as in product innovation.

Our Keno and Gaming Services have been strengthened during FY15 and are now set up for growth. The new Keno customer

experience was launched to the market in June, commencing in Victoria. A new brand proposition, supported by an in-venue and media campaign, has aimed to make Keno more contemporary and drive participation. The pooling of jackpots between NSW and Victoria has commenced and this has enhanced the Keno product. Queensland is planned to follow, subject to regulatory approvals.

The Gaming Services business, Tabcorp Gaming Solutions (TGS), has been enhanced through the extension of a number of venue contracts in Victoria and expansion in NSW. These initiatives have made TGS a more sustainable business for shareholders.

Tabcorp also advanced its strategic position during the year by integrating ACTTAB. The ACTTAB business has provided Tabcorp

with long-dated licences that complement our existing Wagering, Keno and Trackside operations.

We have successfully finalised media rights arrangements for NSW and Victorian thoroughbred racing. This is a pleasing outcome for our customers, venue partners, the racing industry and Tabcorp. Our customers can watch every Australian race on Sky Racing in our retail venues and at home and, for the first time, through TAB's website and digital apps. This sets Tabcorp apart from online wagering operators.

Shareholder returns

The strong FY15 financial performance, growth initiatives and effective capital management have enabled Tabcorp to deliver increased

returns to shareholders. The Company announced ordinary dividends totalling 20 cents per share fully franked in respect of the financial year. This was an increase of 25% on the previous full year dividend and represented a distribution of 93% of NPAT from continuing operations before significant items.

A special dividend of 30 cents per share fully franked was also paid in March this year. To maintain Tabcorp's balance sheet and capital position, Tabcorp completed a one-for-twelve pro rata accelerated renounceable entitlement offer with retail entitlements trading.

Tabcorp's confidence in its ongoing financial performance and underlying businesses has enabled the Company to increase its target dividend payout ratio for FY16 to 90% of NPAT (before the \$35 million amortisation of the Victorian Wagering and Betting Licence).

Capital management

During the year Tabcorp refinanced a \$400 million bank facility, which extended the maturity profile of our debt facilities. The next refinancing activity is not due until 2017.

At the end of FY15, the Company's Gross Debt to EBITDA ratio stood at 2.1 times, down from 2.3 times at December 2014.

Tabcorp continues to have well diversified sources of funding and a strong balance sheet.

Tabcorp and responsible gambling

Tabcorp's commitment to promoting responsible gambling is ingrained in the company's culture.

It was therefore pleasing that Tabcorp was once again recognised as the global gambling industry leader by the Dow Jones Sustainability Index in September 2014. This was the ninth time in the last ten years that Tabcorp has received this recognition. Tabcorp ranked highest in eleven of the 19 categories, including 'Promoting Responsible Gaming', 'Corporate Governance' and 'Occupational Health and Safety'.

Our commitment to responsible gambling and operating with the highest levels of integrity is ongoing.

Racing returns and taxes

Tabcorp's businesses generated \$459.6 million in gambling taxes in FY15. A further \$773.2 million was generated in returns to the racing industry, a 5.2% increase on the prior financial year. Tabcorp's commercial performance underpins the financial success of the racing industry. We look forward to continuing to work jointly with the racing industry and our venue partners and other key stakeholders in 2016.

Legal proceedings

In May 2015, the High Court of Australia granted Tabcorp special leave to appeal a judgment of the Court of Appeal of the Supreme Court of Victoria. That judgment relates to Tabcorp's claim for a payment of approximately \$686.8 million from the State of Victoria. The appeal is likely to be heard by the end of 2015.

Separately, in February 2015 the High Court declined to grant Tabcorp special leave to appeal in relation to a Court of Appeal of the Supreme Court of Victoria judgment on the Health Benefit Levy. This was fully provided for in Tabcorp's FY14 earnings (\$19.5 million after tax) and did not have any financial impact on Tabcorp in FY15.

AUSTRAC civil proceedings

In July 2015, the Australian Transaction Reports and Analysis Centre (AUSTRAC) brought civil proceedings against Tabcorp and our NSW and Victorian wagering businesses. The claim includes matters which have been raised by and discussed with AUSTRAC over an extended period. A program of works, underway for some time, has been expanded and accelerated. Tabcorp is committed to the highest levels of regulatory compliance and resolving the matters raised by AUSTRAC as a priority.

Tabcorp's people

Tabcorp's more than 3,000 employees ensure we deliver great entertainment experiences to our customers. I would like to acknowledge the commitment of our people, led by our Managing Director and Chief Executive Officer, David Attenborough, and his Senior Executive Leadership Team. We are very focused on talent management and the engagement of Tabcorp's workforce. Our ongoing success as a business will be supported by our ability to grow, attract and retain talent.

Focus on the future

In closing, it is pleasing to be able to report that Tabcorp ended FY15 in a stronger financial and strategic position.

The Company has a portfolio of quality, integrated gambling entertainment businesses that are well placed to deliver profitable growth. Our businesses are underpinned by long-dated licences, geographic diversification and strong stakeholder relationships.

In 2016, we will continue to focus on investing in the customer experience. We will also continue to prioritise investment in high-growth areas that can set us apart from our competitors. These include our retail, digital and media assets, our market-leading brands and product and service innovation.

Finally, I would like to thank you for your support of Tabcorp. I look forward to shareholders joining us for our Annual General Meeting on 29 October 2015, which will be held at The Langham in Melbourne. For those who cannot attend in person, but would like to follow the proceedings, the meeting will be webcast live through www.tabcorp.com.au.



Paula J Dwyer
Chairman

Chief Executive Officer's message



“Tabcorp’s FY15 performance demonstrates the success of the Company’s multi-channel strategy and the benefits of our ongoing focus on customers, products and brands.”

Tabcorp’s 2015 financial year (FY15) performance demonstrates the success of the Company’s multi-channel strategy and the benefits of our ongoing focus on customers, products and brands.

We are pleased to have delivered a successful FY15 and are now well set up to continue delivering on our objective of increasing returns to shareholders.

Group performance overview

Group revenues were \$2,155.5 million, up 5.7% on the prior financial year.

Operating expenses were \$458.6 million, up 5.8%. Excluding \$14 million in costs relating to ACTTAB, operating expenses were up 2.6%. We remain very focused on disciplined

expense management and operating within the framework of a 21% operating expenses to revenue ratio. Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) before significant items were \$508.1 million, up 4.5%.

I will now outline the performance of each of our three businesses.

Wagering and Media

Tabcorp integrated its Wagering and Media businesses during the year to provide greater alignment of wagering and our Sky media assets. This is important as media and vision are key drivers of wagering activity.

This combined business performed very strongly in FY15 and underpinned the overall Group result. Revenues were \$1,856.9 million, up 6.9%. Operating expenses, including one-off ACTTAB acquisition and integration costs, were \$381.7 million, up 6.8%. EBITDA was \$375.8 million, up 7.2%. On a total business basis, that is including the Victorian Racing Industry’s 50% share of the Victorian Joint Venture, Wagering and Media revenues grew 6.2%.

A focus on the customer experience and successful execution of major events such as the Spring Racing Carnival, The Championships and Soccer World Cup underpinned the result.

The largest drivers of Tabcorp’s Wagering growth in recent years, fixed odds and digital wagering, were again the strongest contributors.

TAB Racing revenues were \$1,666.3 million, up 5.1%. This comprised \$1,236.7 million in totalisator revenues, down 2.1%, and fixed odds revenues of \$429.6 million, up 33.0%. TAB Sports revenues were \$219.2 million, up 16.2%.

During the year we launched a fixed odds Cash Out product across all channels, an example of ongoing product innovation. As well as driving new sales, Cash Out has changed the customer conversation and has driven high levels of engagement.

Trackside revenues were \$99.9 million, up 11.9%, while Luxbet revenues were \$53.1 million, up 10.9%.

Media revenues were \$173.3 million, up 6.3%, with the growth driven by the expanded distribution of Australian and New Zealand racing to foreign markets and international co-mingling. One of the achievements of the period was commencing the co-mingling of pools with Hong Kong. During the year, Tabcorp also launched the new Sky Thoroughbred Central racing channel on the FOXTEL platform.

Tabcorp's multi-channel business offers its customers more channels through which they can place bets than any other wagering operator.

Wagering turnover in Tabcorp's NSW, Victoria and ACT retail channel grew 0.3% to \$6,601.0 million. Digital channels continued to drive Wagering growth, with turnover of \$3,416.8 million, up 17.8%. At the end of FY15, the use of mobile devices accounted for 63% of all digital turnover. Tabcorp has prioritised the ongoing integration of its digital and retail channels. More than 20 of Tabcorp's 'Future Retail' pilot sites are scheduled to be rolled out by the end of the calendar year.

Gaming Services

Revenues grew by 1.5% to \$99.6 million. Operating expenses were flat at \$31.2 million, while EBITDA was \$67.6 million, up 0.9%.

In FY15 we progressed the expansion of Tabcorp Gaming Solutions (TGS) into new markets. TGS successfully signed new venues in NSW, as well as in Victoria where the business is well established. The positive performance of our first two venues in NSW has created confidence that TGS can drive value for licensed venues in that market.

At the time of writing, TGS had 9,300 gaming machines under contract, up from approximately 8,600 at the start of the 2015 financial year.

TGS has also extended a number of contracts across the Victorian network, with 84% of these arrangements now contracted through to 2022. This, in addition to the sign-up momentum in NSW, means TGS is well placed to deliver sustainable, long-term performance.

Keno

Total Keno network turnover was up 2.7%. This was the result of improved customer activity in NSW and Victoria, offset by a softer Queensland market.

Revenues were \$199.0 million, down 2.4%, impacted by jackpot activity. Operating expenses were \$44.0 million, up 6.8%. The growth in expenses reflects investments in capability, the Keno brand and product transformation. EBITDA was \$66.4 million, down 8.0%.

The relaunch of the Keno brand and customer experience has been designed to broaden the game's appeal. While it is in its early stages, the initial results indicate that the Keno transformation has been well received by customers and venues alike.

Tabcorp's people and stakeholders

I would like to acknowledge the contribution that our 3,000-plus employees made throughout FY15. Their collective efforts have contributed to the successful year.

We are on an ongoing journey at Tabcorp to drive high levels of employee engagement and to enable our people to perform and grow. We also continue to drive and embrace diversity across the workforce because we know that more diverse workplaces result in fundamentally better businesses.

I would also like to acknowledge the many stakeholders who contribute to the success of Tabcorp's operations such as our racing industry and venue partners.



Tabcorp in the community

Tabcorp has a proud record of sharing the proceeds of its operations with the community. In FY15, our Tabcare program, which encourages employees to volunteer and fundraise, partnered with FareShare, OzHarvest, Conservation Volunteers and The Pyjama Foundation. Tabcorp also committed to a renewed charitable partnership with the National Jockeys Trust, which provides relief to jockeys, apprentice jockeys and their families when faced with serious injury, illness or death.

Future priorities

Tabcorp is well positioned to continue to deliver growing returns to shareholders.

Our three businesses have specific priorities. In Wagering and Media, we are focused on progressing the integration of our retail and digital channels. We will direct investment towards product and service innovation, data analytics and compliance systems.

For Keno, we will be focused on the successful execution of the new brand proposition and new products. Keno is a social game with good potential for growth and we are investing to realise that potential.

The priority for TGS is to improve the performance of its existing venues and expand venue sign-ups.

At the same time, we are resolving the matters raised by AUSTRAC as a priority. We are committed to achieving the highest levels of regulatory compliance across the business.

As a Group, we remain well positioned to drive future performance, maintain expense discipline and deliver on our target of achieving Return on Invested Capital of 14% by FY17.

David R H Attenborough
Managing Director and
Chief Executive Officer

Wagering and Media business



Operations

- Network of TAB agencies, hotels and clubs, and on-course totalisators in Victoria, NSW and ACT.
- Wagering channels include retail, internet, mobile devices, phone and pay TV.
- Totalisator and fixed odds betting offered on racing and sporting events.
- Luxbet offers a racing, sport and novelty product bookmaking service by phone, internet and mobile devices.
- Trackside, a computer simulated racing product, operating in Victoria, NSW and ACT, and licensed in other Australian and overseas jurisdictions.
- Wagering and pooling through Premier Gateway International (PGI) joint venture in the Isle of Man (50% interest).
- Three Sky Racing television channels broadcasting thoroughbred, harness and greyhound racing and other sports to audiences in TAB outlets, hotels, clubs and other licensed venues, and into homes to pay TV subscribers.
- Sky Sports Radio network in NSW and ACT, and advertising and sponsorship arrangements with Radio Sport National.
- Broadcasting Australian racing to 52 countries and importing overseas racing to Australia.
- 2,900 TAB retail outlets (approx).
- TAB Rewards members exceed 300,000 (up 38% from prior year).
- Mobile devices represent 63% of digital wagering turnover (up 9%).
- Sky Racing available in 2.6 million Australian homes (approx).
- Broadcasting to 5,400 Australian outlets.

Licences and approvals

- Victorian Wagering and Betting Licence expires in August 2024, and may be extended for a further two year period.
- NSW Wagering Licence expires in March 2027, with retail exclusivity period expiring in June 2033.
- ACT Totalisator Licence expires in October 2064.
- ACT Sports Bookmaking Licence expires in October 2029, with further rolling extensions to October 2064.
- ACT Approval to Conduct Trackside expires in October 2064.
- Luxbet's Northern Territory licence expires in June 2020.
- Luxbet Europe's UK Combined Remote Operating Licence has no expiry, and its Isle of Man licence expires in January 2019.

FY15 highlights

- Continued growth in fixed odds and digital wagering.
- Completed the ACTTAB acquisition.
- Success from major events, such as the Spring Racing Carnival, The Championships and Soccer World Cup.
- Increased focus on customer driven strategies and investing in multi-channel customer experience.
- Fixed Odds Cash Out successfully launched across all channels, an example of ongoing product innovation.
- Commenced pooling into Hong Kong pools.
- Expanded distribution of Australian and New Zealand racing to foreign markets and international co-mingling.
- Launched new **tab.com.au** website.
- TAB active account customers up 12% in FY15.
- Negotiated Victorian and NSW thoroughbred media rights.

Future objectives

- Complete ACTTAB integration and launch TAB brand and customer experience into ACT.
- Maintain market leadership and drive industry transformation.
- Focus on increased digital integration across the retail network following Future Retail pilot.
- Develop new, and enhance existing, products to grow share of wallet.
- Strengthen customer relationships and retention through loyalty and customer relationship management programs.
- Further integrate vision and data with wagering products.
- Maximise customer engagement from broadcast media rights.
- Pursue disciplined, close to core, international expansion.

Summary financial performance

	FY15 \$m	FY14 \$m	Change %
For the year ended 30 June			
Revenue	1,856.9	1,737.8	6.9
Taxes, levies, commission and fees	(1,099.4)	(1,029.8)	6.8
Operating expenses	(381.7)	(357.3)	6.8
EBITDA	375.8	350.7	7.2
Depreciation and amortisation	(128.6)	(116.6)	10.3
EBIT	247.2	234.1	5.6



Total revenue growth of 6.2%
(including Victorian Racing Industry interest)

Revenues of \$1,856.9 million,
up 6.9%

EBIT of \$247.2 million,
up 5.6%

Gaming Services business



Operations

- Tabcorp Gaming Solutions (TGS) currently operates across Victoria and NSW.
- TGS provides a mix of gaming expertise, specialised services, strategic advice and financing to licensed gaming venues, with the aim of optimising gaming and total venue performance.
- TGS partnered with 168 hotels and clubs in Victoria and NSW in FY15, with over 8,820 EGMs under contract.
- TGS operates a loyalty program on behalf of its network, with a total membership base of over 340,000 (up by 24% over previous year).

Licences and approvals

- Victorian Listing on the Roll of Manufacturers, Suppliers and Testers.
- NSW Gaming Machine Dealer's Licence.
- ACT Supplier Certificate.
- Tasmanian Listing on the Roll of Recognised Manufacturers, Suppliers and Testers of Gaming Equipment.

FY15 highlights

- TGS established operations in NSW in FY15, with NSW venues achieving an average of over 50% net machine revenue growth.
- The business' partner network expanded, with 10 new venue signings across NSW and Victoria.
- TGS extended a number of venue partner contracts across the Victorian network, with 84% now contracted through to 2022.
- TGS's first to market in-EGM loyalty system is operating in over 75% of the Victorian network.
- Voluntary pre-commitment preparation for TGS's Victorian venue partners is well advanced, with government trial underway.

Future objectives

- Extend TGS partner network across Victoria and NSW and into other jurisdictions.
- Seamlessly introduce voluntary pre-commitment for Victorian venue partner network.
- Continue to drive gaming and venue performance for our partners, offering deep gaming customer knowledge and expertise in customer experience.
- Deliver the best performing gaming floors, with market-first, insight-driven product.
- Drive visitation through loyalty, customer relationship management and marketing programs.
- Continue to evolve the TGS value proposition to ensure that the business delivers the best outcomes for its venue partners.

Summary financial performance

	FY15	FY14	Change
For the year ended 30 June	\$m	\$m	%
Revenue	99.6	98.1	1.5
Taxes, levies, commissions and fees	(0.8)	-	n/a
Operating expenses	(31.2)	(31.1)	0.3
EBITDA	67.6	67.0	0.9
Depreciation and amortisation	(26.0)	(27.3)	(4.8)
EBIT	41.6	39.7	4.8





**Revenues of \$99.6 million,
up 1.5%**

**EBIT of \$41.6 million,
up 4.8%**

Keno business



Operations

- Keno is a random number game that is played every 3 minutes with the chance for customers to win instant prizes and life-changing jackpots.
- In FY15 Keno customers won a record 21 spot-10 jackpots totalling over \$38 million.
- Keno has a distributed network of over 3,600 venues across clubs, hotels and TABs in Victoria, Queensland and ACT, and in clubs and hotels in NSW.
- The business' retail distribution extends across approximately 6,400 terminals and 17,000 game screens.

Licences and approvals

- Victorian Keno Licence expires in April 2022.
- NSW Keno Licence expires in July 2022.
- In NSW Tabcorp operates Keno under a management agreement with ClubKENO Holdings Pty Ltd.
- Queensland Keno Licence expires in June 2047.
- ACT Approval to Conduct Keno expires in October 2064.

FY15 highlights

- Total Keno network turnover was up 2.7%, reflecting record growth in NSW and Victoria, offset by a softer Queensland market.
- Keno's turnover and revenue was impacted by above theoretical jackpot wins in Queensland and Victoria.
- In FY15, Keno launched its customer-led business transformation, which saw:
 - Pooling of the 7,8,9 and 10 jackpots between NSW and Victoria, delivering bigger and more frequent jackpots.
 - The launch of a new Keno brand in Victoria; which included a new logo, advertising campaign and customer experience across retail game screens, self-service terminal interface, game card and signage.
 - Launch of a new website, keno.com.au.
- Keno's network extended in FY15 to incorporate the ACT via ACTTAB acquisition.
- Keno's technology foundation was improved with the adoption of similar infrastructure used by NSW, Queensland, Victoria and ACT hosts.

Future objectives

- Continue Keno's transformation across NSW, Queensland and the ACT, positioning Keno as a contemporary, fun and social game.
- Extend Keno's product offer, launching new products that drive participation and reinforce Keno's new brand positioning.
- Expand Keno jackpot pooling across other jurisdictions.
- Develop and launch converged digital experiences that integrate with Keno retail.
- Build deep customer insight to further develop Keno's customer experience.

Summary financial performance

For the year ended 30 June	FY15 \$m	FY14 \$m	Change %
Revenue	199.0	203.9	(2.4)
Taxes, levies, commissions and fees	(88.6)	(90.5)	(2.1)
Operating expenses	(44.0)	(41.2)	6.8
EBITDA	66.4	72.2	(8.0)
Depreciation and amortisation	(18.9)	(20.5)	(7.8)
EBIT	47.5	51.7	(8.1)

First, how many numbers do you want to play?





**Total Keno turnover
up 2.7%**

**Revenues of \$199.0 million,
down 2.4%**

**EBIT of \$47.5 million,
down 8.1%**

Sustainability

Tabcorp takes its social responsibilities seriously and is committed to the long term sustainability of its operations and industry. It recognises that there are sustainability challenges and opportunities associated with social, environmental, workplace, economic and governance risks, which are managed to ensure optimal outcomes are achieved for our stakeholders.

Tabcorp's sustainability practices are aligned to its business strategies and objectives, and are mapped against the organisation's risk profile and risk management framework. This enables Tabcorp to identify the most significant challenges and sustainability issues facing the Group, which are monitored and reported to the Senior Executive Leadership Team and to the Board. The organisation commits resources to appropriately manage these in accordance with the company's risk profile and business priorities.

A key priority and area of focus for Tabcorp is promoting the responsible service of its products, and supporting customers to help them gamble responsibly. Tabcorp's other main sustainability areas include having a great workplace for our employees, supporting the community, helping our environment, and having sound corporate governance practices. The following sections outline Tabcorp's commitment to providing long term sustainability in these areas. Further information may also be found under the Sustainability section of Tabcorp's website www.tabcorp.com.au.

Tabcorp is independently recognised as the leader in sustainability within the gambling entertainment industry. In the annual assessment for the Dow Jones Sustainability Index announced in September 2014, Tabcorp was ranked as the overall global gambling industry leader. Tabcorp has achieved this outstanding result in nine of the last ten years. Tabcorp was also acknowledged as a leading sustainable company in the annual FTSE4Good ESG Ratings released in July 2015 and included in the FTSE4Good Index. These indices are used by investors to identify companies that meet globally recognised corporate responsibility standards. For inclusion in these indices, Tabcorp is independently assessed each year on environmental, social and governance (ESG) criteria. Tabcorp's inclusion in the Dow Jones Sustainability Index and the FTSE4Good Index since 2001 demonstrates the company's long term commitment to sustainability.



Tabcorp has been ranked as the overall global gambling industry leader in nine of the last ten years in the annual assessments for the Dow Jones Sustainability Index.

Responsible gambling

The Tabcorp Group takes a leadership position in the responsible delivery of its gambling products and support for customers. We are committed to promoting sustainable gambling practices and providing our products and services in a responsible manner for the enjoyment of customers. While we create enjoyable entertainment experiences for our customers, we have in place systems and processes to minimise the potential harm that gambling may cause. We take our social responsibilities seriously and have embedded responsible gambling into Tabcorp's Mission and Purpose, and reinforced it through our company values of Think customer; Do the right thing; and Be accountable.

Over many years Tabcorp has developed and enhanced its programs and practices, and we continue to adopt new technologies and respond to industry changes. Our long term commitment has resulted in Tabcorp being recognised as an industry leader in promoting responsible gambling in the Dow Jones Sustainability Index, and a leader in customer responsibility in the FTSE4Good ESG Ratings. Tabcorp engages with customers, governments, regulators, community organisations and industry partners to enable our responsible gambling practices to remain effective and industry leading.

Framework

The Tabcorp Group's responsible gambling strategies and initiatives are based upon a social health framework of informed choice, incorporating primary prevention, secondary protection and safety net measures. Tabcorp's integrated multi-layered framework incorporates strategies, codes of conduct, policies and programs which are centred on promoting responsible gambling among customers, the community, and employees. This framework is applied consistently across each of the Tabcorp Group's businesses, while certain elements are tailored to the specific circumstances of each business. Regular engagement with our stakeholders is an important aspect of this framework which helps inform us to be more effective.

Appropriate management and oversight are important aspects for maintaining effective practices. Employees and executives with specific expertise and roles relating to responsible gambling, compliance, risk management, and customer management have responsibilities for delivering the responsible gambling strategies and programs in support of this framework. Regular reports are prepared for management, and the Board is regularly informed about key initiatives, risk assessments and internal audits.

Codes of Conduct

The Tabcorp Group has developed individual Responsible Gambling Codes of Conduct for each of its businesses of TAB, Luxbet and Keno. This enables the Codes to be responsive to the particular needs and circumstances applicable to individual customers within those businesses while maintaining compliance with the specific requirements in each State or Territory. These Codes are regularly reviewed to ensure they remain relevant for customers and for the business. As a requirement in Victoria, we report annually to the Victorian Commission for Gambling and Liquor Regulation on the effectiveness of our Victorian Responsible Gambling Codes of Conduct. The report includes analysis and results of surveys undertaken by hundreds of customers to measure their awareness of Tabcorp's responsible gambling Codes and their effectiveness.

Codes of Conduct relevant to each of the Tabcorp Group's businesses are available from the Responsible Gambling section of Tabcorp's website at www.tabcorp.com.au and are also provided to customers upon request. Each of the TAB, Luxbet and Keno websites contain information on responsible gambling and links to the relevant Codes of Conduct.

Customer initiatives

Tabcorp operates its BetCare self-exclusion program across its Victorian and NSW TAB retail network. BetCare is a voluntary self-exclusion program which customers can access free of charge to help them manage their gambling behaviour. As a member of BetCare, customers can exclude themselves from up to 15 TAB agencies and 15 hotels or clubs in either Victoria or NSW. TAB customers can also opt to have their TAB betting account closed until they demonstrate they can manage their gambling behaviour and gamble responsibly. Keno account customers can also self-exclude by electing to have their accounts suspended.

In addition, TAB and Keno customers can set voluntary pre-commitment limits on their betting accounts. This enables customers to select their own maximum value for weekly deposits.

The Tabcorp Gaming Solutions (TGS) business was the first to launch in-EGM voluntary pre-commitment in the Victorian gaming market. Customers in TGS partner gaming venues can elect to set a playing time or value limit on their loyalty card.

Community engagement

Tabcorp takes an active role in partnering with governments and community organisations to promote responsible gambling and raise awareness among the communities in which we operate.

In May 2015, Tabcorp supported the NSW Responsible Gambling Awareness Week (RGAW). The event sees government, community groups and the gambling industry working in partnership to promote responsible gambling practices and behaviors within the community. The aim of RGAW is to increase the community's awareness of responsible gambling strategies so people can make informed decisions about their gambling choices and know how to seek assistance if they need it. This year's event focused on raising awareness among young people. Tabcorp supported RGAW by providing RGAW collateral distributions costs, contributing employee time and expertise, and promoting the event by displaying RGAW collateral in NSW TAB agencies.

Employees of Tabcorp are appointed members of the Victorian Responsible Gambling Ministerial Advisory Committee and the Queensland Responsible Gambling Advisory Committee. These committees include representatives from government, community groups and industry organisations. They provide advice to relevant government ministers on initiatives, policies and codes of practice to promote responsible gambling.

Tabcorp employees also maintain relationships with problem gambling counselling services and other related community groups. They are members of Venue Support Workers Reference Groups and RGAW Steering Committees. They attend various community and industry forums

to inform and promote responsible gambling awareness with stakeholders, including customers, venue staff, industry partners, governments, regulators and local community organisations.

Educating employees

Tabcorp's ongoing training and communications programs ensure employees understand and are informed about Tabcorp's responsible gambling program. Regular education and awareness is provided to enable employees to be equipped with tools and information to help identify responsible versus problem gambling behaviours, and respond accordingly. Information is initially conveyed through the new employee induction program, with annual refresher training for employees with customer facing roles. Training and communication programs are delivered via a number of mediums, including written, face to face and online.

We also communicate regularly with our agents and operators within our retail network to provide training and communications packs to them regarding responsible gambling initiatives, compliance obligations and informative alerts. Material is conveyed to our retail network via newsletters, bulletins and online. We also ensure all venues are well equipped with responsible gambling posters and brochures in prominent areas, for example, at the betting counter, near self-service terminals and posters on walls around the venues.

Tabcorp's internal audit teams regularly visit venues to assess their level of compliance with responsible gambling obligations, such as correctly displaying responsible gambling posters and brochures. In addition, our operations are routinely subjected to audits and compliance assessments by gambling regulators.

Employee gambling policy

Many of Tabcorp's employees enjoy gambling and do it responsibly. Tabcorp's Employee Gambling Policy is a key component of Tabcorp's commitment to delivering gambling products responsibly and caring for our employees. We recognise that employees use our products and services for their own personal recreational purposes, and for many their jobs involve interacting with our products and services. Tabcorp's Employee Gambling Policy seeks to provide the right balance between accessibility and restricting interactions so that no person can gain, or be perceived to gain, an unfair advantage in using our gambling products.

Under the policy, Tabcorp Directors, employees and contractors may not gamble whilst on duty, whether on Tabcorp's gambling products or those of another gambling operator. Limited exemptions apply, which require written authorisation. Gambling off duty is subject to specific restrictions which apply to Directors, executives and direct reports to executives, and other groups according to the nature of their work. Anyone who gambles off duty must do so responsibly and within their means.

Annually, the Tabcorp Group conducts surveys of employees within specific businesses to evaluate the level of problem gambling risks within the workplace. The results of the assessment conducted during the 2015 financial year indicated that for those employees who gamble, they do so responsibly, and there were no indicators they were at risk of developing problem gambling behaviours.

People

Tabcorp continues to build a great place to work for its 3,000-plus employees. We invest in and support our employees to reach their full potential and contribute to the success of the organisation. To support growth, Tabcorp has people strategies and programs that are aligned with organisational goals and objectives. Some of the main areas of focus for Tabcorp are outlined below, along with the key achievements of the 2015 financial year.

Engagement

The engagement levels of employees are a key contributor to organisational success. A workforce which is highly engaged closely correlates to improved organisational outcomes, such as better customer service, productivity and added value.

For the fourth successive year, Tabcorp has measured employee engagement using the Gallup assessment tool, which assesses employee engagement on a scale of 0 to 5. Once again, the FY15 results indicated that employee engagement had improved, and that Tabcorp has maintained top-quartile growth in engagement levels since 2011.

Tabcorp understands that our employees' connection to our vision, mission and purpose is integral to high engagement. A key focus in 2015 was the development and communication of Tabcorp's Vision statement, to further support our Mission and Purpose (launched in 2014). We also continued to drive a new way of working that is underpinned by enabling technology and the creation of collaborative work environments. People leaders have engagement targets embedded in their scorecards to continue to drive employee engagement, and meet its goal of achieving Gallup top quartile results by 2016.

Gender diversity

Tabcorp recognises the value of having a diverse workforce which comprises people with a range of backgrounds, ideas, skills, experience, and talents that enable us to create a well-balanced, inclusive, and high performing workforce. Tabcorp remains focussed on embracing diversity across its workforce and delivering greater gender balance.

This is being achieved through a number of initiatives which support the organisations' gender diversity strategy and objectives. These include a Diversity Council comprised of the Senior Executive Leadership Team to drive the Group's diversity agenda, diversity education programs for leaders, a Senior Women's Forum, and targeted acquisition of diverse leadership talent.

A key initiative is the Women's Mentoring Program. Female leaders from across the organisation are partnered in small groups with a member of the Senior Executive Leadership Team and a General Manager. The groups undertake a structured 12 week mentoring program which aims to enable female managers to take ownership of their careers and development.

The organisation's diversity objective to have at least 33% female representation in senior management roles by 2015 has been met. Tabcorp has now set a 2018 target to achieve at least 40% female representation in senior management roles, which comprise the Senior Executive

Leadership Team (Chief Executive Officer and direct reports) and the Senior Management Team (direct reports to the Senior Executive Leadership Team and their direct reports, as determined by meeting a minimum role size).

The proportion of women at various levels within the Tabcorp Group at the end of the financial year is shown in the chart opposite.

Tabcorp's 2014-15 annual public report regarding workplace gender equality was submitted to the Workplace Gender Equality Agency and is published under the Sustainability section of Tabcorp's website at www.tabcorp.com.au.

Tabcorp's Diversity Policy is also available from the Sustainability section of Tabcorp's website.

Health, safety and wellbeing

Tabcorp is committed to providing a healthy and safe working environment and has a track record of successfully managing its health and safety risks. The low rate of 1.0 lost time injury per million hours worked achieved in FY15 demonstrates that Tabcorp has a strong health and safety culture.

Tabcorp has a Health and Safety Policy which is supported by systems and processes to assist in identifying, monitoring and managing risks. Tabcorp's Health and Safety team coordinate and support activities within each Tabcorp business and at each location to ensure a consistent focus on health, safety and wellbeing across the Tabcorp Group. Risk assessments of each Tabcorp business unit are undertaken regularly and discussed with management. Risks and incidents are reported regularly to the Senior Executive Leadership Team and to the Board Audit, Risk and Compliance Committee.

Our focus has been on promoting health and safety through employee awareness campaigns and training programs. By engaging with our employees we have been able to promote a stronger culture and improved working practices. Employees are better equipped to identify risks, report them, and where appropriate with support implement corrective actions to address risks before incidents occur.

Tabcorp also supports a number of activities that promote health and wellbeing among employees, including sponsoring 406 employees in the Global Corporate Challenge. The event is conducted over 100 days and provides opportunities for employees to come together in teams and lead more active and healthier lives. Tabcorp also supported the national R U OK Day to inspire our employees to connect with fellow colleagues, family and friends to check their wellbeing and prevent their isolation should there be something troubling them.

Tabcorp's Health and Safety Policy is available from the Sustainability section of Tabcorp's website.

Employee Assistance Program (EAP)

Tabcorp's EAP is a confidential personal and professional development resource available for all employees and their immediate family members. The EAP is designed to help maintain the right balance between wellbeing and performance. The service is able to assist with a wide range of situations and issues and aims to help individuals develop positive strategies to resolve their concerns. Employees and their immediate family have access to a range of resources and professional services which provide counselling, support, coaching and mentoring to help them deal with work and life issues. The EAP also provides coaching and support for managers and supervisors dealing with difficult or complex people issues. Access to these EAP services is free for Tabcorp employees and their immediate family members.

Code of Conduct

During the 2015 financial year, the Tabcorp Code of Conduct was relaunched under the title 'Do the Right Thing', supported by an online learning program for employees. The Code of Conduct is underpinned by the Tabcorp Ways of Working, and establishes the standards of behaviour that are expected of all employees, Directors and contractors. It provides guidance to employees, and assists them to make the right choices by providing behavioural examples. The Code refers to Tabcorp Group policies including those in relation to bullying, discrimination, harassment, corruption, bribery, diversity, insider trading, privacy, whistleblowing, and social media.

Recognition

Tabcorp has an established employee recognition program called 'Tabcorp Legends'. The program recognises and rewards employees who go 'above and beyond' what is expected of them and demonstrate Tabcorp's Ways of Working (our values) in an outstanding manner.

The Tabcorp Legends program provides two avenues for employees to be recognised:

- **On-the-spot recognition**, whereby employees can receive instantaneous recognition in the workplace with an accompanying reward.
- **Quarterly and annual recognition**, where employees who have been nominated for displaying the Ways of Working in an exceptional way are recognised at regular quarterly events, culminating in an annual award for the most outstanding Legend.

Our Ways of Working

Tabcorp's values are expressed in Our Ways of Working, which are:

- **Think Customer:** know our customers and understand their needs; exceed their expectations.
- **Think Big:** always look for better ways and be open to new ideas.

- **Be One Team:** collaborate within and across teams; seek to understand and communicate openly.
- **Be Accountable:** count on each other; deliver on your commitments.
- **Do the Right Thing:** always act with integrity; be community minded.

Talent development

Tabcorp supports its employees to learn and grow, providing them with opportunities and resources to develop their skills, knowledge and capabilities. There are many ways which Tabcorp provides this support, including through its study assistance program which may include financial assistance for course fees and textbooks, or paid study leave.

Developing leadership talent is an important component of Tabcorp's employee development framework. Tabcorp has two premier programs aimed at meeting the current and future leadership needs of Tabcorp and to support its succession strategy. The 'Leading the Tabcorp Way' leadership development program immerses our people leaders in what it means to be a successful leader within our business. The program is built upon our Ways of Working and the Tabcorp Leadership Capability Model, which sets out the areas of competency required of successful leaders at Tabcorp. In addition, Tabcorp's 'High Performance Organisation' program is a week-long experiential leadership program which provides senior leaders with the opportunity to further develop their leadership skills and capabilities to support the development of high performing teams.

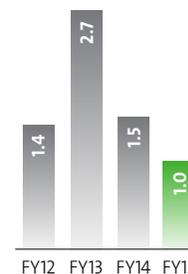
New on-boarding program

Tabcorp's on-boarding program was redesigned during the year and incorporates new features to substantially enhance the experience for new employees starting at Tabcorp. The new program has been developed to make employees feel welcome and to help them be successful in their new role.

On-boarding guides for new starters and their managers, along with online pre-start material and a buddy system support new employees as they transition to their new roles. All new employees also participate in a 'Discover Tabcorp' day, an interactive session and field trip that introduces new starters to Tabcorp's businesses, products, customer experience, and culture.

Lost time injury frequency rate

Number of lost time injuries per million hours worked



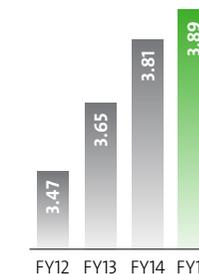
Proportion of female employees

As at 30 June 2015



Employee engagement

As assessed by Gallup



Community

Tabcorp is a proud supporter of the communities in which it operates and gives back to those communities. Employees are encouraged to volunteer and fundraise for community organisations through the Tabcare program. The Tabcorp Group's businesses also contribute cash donations, employee time for volunteering activities, in-kind support, partnerships and sponsorships which benefit many charities, not for profit groups and local community organisations. These voluntary contributions in the 2015 financial year totalled \$0.7 million. The Tabcorp Group will continue to partner with organisations and help communities through establishing positive connections with our businesses and our people.

Tabcare program

Tabcare is the Tabcorp Group's community and employee engagement program. It supports community involvement among employees by encouraging volunteering and fundraising by Tabcorp employees which directly benefits community groups. Tabcare has the following two elements:

- **The volunteering program** encourages employees to volunteer their time for their nominated non-profit organisation or one of the community organisations with which Tabcorp partners. Tabcorp provides one day of paid volunteer leave each year to eligible employees for them to use under this program.
- **The matched fundraising program** supports employees in team based activities to raise money for registered charities. Tabcorp matches any funds raised up to \$10,000 per charitable organisation, enabling donations to be widely shared among charities.

Tabcorp has established Tabcare community support partnerships with:

- Conservation Volunteers in NSW and Victoria;
- FareShare in Victoria;
- OzHarvest in the ACT, NSW and Victoria; and
- The Pyjama Foundation in Queensland.

The main objectives for expanding the Tabcare program during FY15 were achieved. Tabcare was rolled out across our newly acquired ACT business, and ACT based employees took part in volunteering and fundraising programs. OzHarvest in Canberra commenced as a Tabcare partner, and Tabcare sponsored a number of other charities and community organisations in the ACT. Group wide employee volunteering also increased, with 19.3% of eligible employees participating, substantially up from 12.7% in the previous year.

Tabcare donations totalled \$116,000 which benefitted 16 charities, and supported our employees raising an additional \$41,000 in matched fundraising contributions. In addition, TAB donated \$50,000 to OzHarvest to meet a 'charity challenge' issued by former South Sydney Rabbitohs legend George Piggins ahead of the 2014 NRL Grand Final. Beneficiaries of Tabcare funding during the year included Men of League Foundation, Connecting Skills Australia as this year's winner of the TAB Great Chase, the Cancer Council, the Peter Mac Cancer Centre, Little Wings, and the Westmead Children's Hospital.

Other contributions

Tabcorp is also a significant financial contributor to governments, and our success provides direct financial benefits for the public. Our businesses contribute a significant funding each year which helps governments to deliver vital community services and public infrastructure, such as healthcare facilities.

In addition to the above voluntary contributions, for FY15 Tabcorp's businesses also generated:

- \$459.6 million in taxes on gambling; and
- \$84.8 million in income taxes paid and payable.

Tabcorp also generated returns to the racing industry of \$773.2 million in FY15 as set out on page 5.

National Jockeys Trust

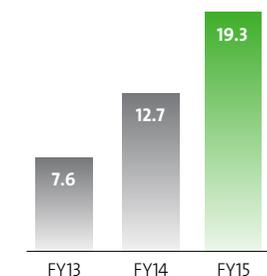
In July 2015, Tabcorp's TAB and Sky Racing businesses announced a three year partnership with the National Jockeys Trust. This significant sponsorship deal sees TAB and Sky Racing become the principal partners and will donate \$120,000 over the course of the next three years to the National Jockeys Trust. The National Jockeys Trust is a public charitable trust dedicated to providing relief to jockeys, apprentice jockeys and their families when faced with serious injury, illness and even death.

Refer to the Sustainability section of Tabcorp's website at www.tabcorp.com.au for further information.



Tabcare promotes community and employee engagement

Employee volunteering
% of eligible employees
who took volunteer leave



Environment

The Tabcorp Group considers that it has a very low environmental risk profile. Its operations have a small environmental footprint, because it is a low energy and water consumer, and is low carbon emitter. Nevertheless, the Tabcorp Group is committed to operating as efficiently as possible, and reducing its impact on the environment.

Each year the Tabcorp Group seeks to further reduce its impact on the environment and adopt practices that benefit the environment. Tabcorp recognises that reducing its consumption of energy, water and other resources will have direct environmental benefits and subsequent economic benefits to the organisation. The Tabcorp Group's objective is to reduce its consumption of energy resources (electricity, gas and vehicle fuels) each year, which will reduce greenhouse gas emissions while also minimising operating costs associated with energy consumption. Similar objectives for reducing water use and paper consumption will also benefit the environment and Tabcorp.

Reduction in electricity consumption

The use of electricity is the Tabcorp Group's largest direct contributor to greenhouse gas emissions, and represents the most significant cost of all utility services. Therefore, it was pleasing to see that for the 2015 financial year Tabcorp's electricity consumption dropped 9.1% from the prior year. This substantial reduction in electricity consumption is mainly attributable to Tabcorp's Sydney office moving to more modern premises which consume less electricity.

Water saving practices

The relocation of Tabcorp's Sydney office has also resulted in water consumption not being measureable at this new premise, and therefore reportable water use has dropped. Although Tabcorp's water consumption is not material, Tabcorp remains committed to reducing water consumption at its office properties. Modern water saving technologies are employed in bathroom facilities at Tabcorp's two largest offices in Melbourne and Sydney, which greatly assist in minimising water usage.

Reducing paper consumption

The Tabcorp Group has managed to reduce its total consumption of paper in FY15 by 6.3%. Also, of the paper it consumed during the year, it has significantly increased the proportion that is carbon neutral to 99.7% from 78.9% in the prior year. There were two major contributing factors which lead to this outcome. Firstly, Tabcorp introduced 'follow-me' printing at the start of 2015. The adoption of this new print management technology helped improve copying and printing behaviours by reducing excessive and wasteful printing. Secondly, Tabcorp's Procurement team identified an opportunity to source more carbon neutral paper in order to help reduce Tabcorp's carbon footprint.

Employee awareness

Employees are encouraged to adopt environmentally friendly practices and initiatives. Tabcorp supports employees participating in events that have positive environmental outcomes. During the year, Tabcorp supported Earth Hour and promoted awareness campaigns to encourage employees to minimise electricity and water use, and reduce paper consumption. Through

the Tabcare program, the Tabcorp Group has also partnered with Conservation Volunteers to encourage and support the participation of employees in environmental and wildlife conservation projects in Victoria and NSW.

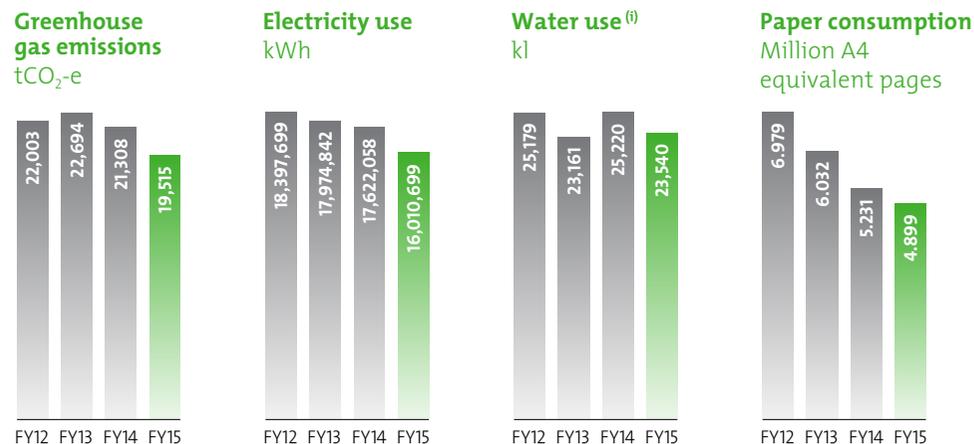
Performance

The main measureable environmental performance indicators applicable to the Tabcorp Group are in relation to the use of office buildings and fleet vehicles. The Tabcorp Group has systems and practices in place for monitoring, reporting and managing the environmental impact associated with its operations. The performance during FY15 and comparisons to the prior years are shown in the charts below.

Further information is available under the Sustainability section of Tabcorp's website at www.tabcorp.com.au.

FY15 environmental performance indicators (and comparisons to the prior year)

Electricity	16,010,699 kilowatt hours (kWh), down 9.1%
Fleet vehicles	653,641 litres of liquid fuels, up 6.3%
Natural gas	4,266,865 megajoules (MJ), up 26.8%
Water	23,540 kilolitres (kl), down 6.7% ⁽ⁱ⁾
Paper	4.899 million A4 equivalent pages, down 6.3%
Greenhouse gas emissions	19,515 tonnes of carbon dioxide equivalent (tCO ₂ -e), down 8.4%, which comprised: <ul style="list-style-type: none"> • 10.1% Scope 1 emissions resulting from fleet vehicle fuels and natural gas used for heating offices; and • 89.9% Scope 2 emissions from electricity used to power Tabcorp offices.



(i) Sydney office water use no longer measured from January 2015.

Corporate Governance

Introduction

The Tabcorp Group strongly supports the principles of good corporate governance and has practices and policies in place to enable it to maintain high standards of integrity. Tabcorp's governance arrangements are reviewed regularly and enhanced where necessary to ensure they continue to meet the needs of the Group.

The Tabcorp Group complied with the *Corporate Governance Principles and Recommendations, 3rd Edition* published by the ASX throughout the 2015 financial year and to the date of this report. The following is a summary of the key corporate governance developments which occurred since the start of the 2015 financial year and matters of relevance to Tabcorp.

For full details refer to Tabcorp's Corporate Governance Statement and its Appendix 4G which are available from the corporate governance section of Tabcorp's website at www.tabcorp.com.au/about-us_corporate-governance.aspx together with other governance related information.

Key developments

Since the start of the 2015 financial year, the key enhancements to the Tabcorp Group's corporate governance practices were as follows.

Adopted a Board skills matrix

The Board adopted a matrix setting out the relevant skills and experience which the Board currently has and is looking to achieve in its membership. The matrix covers the criteria of: Leadership; Strategy and development; Financial acumen; Governance, risk and compliance; Information technology; Digital innovation; International experience; Retailing and marketing; People; Remuneration; Sustainability/corporate social responsibility; Public policy; and Industry experience. The Board believes it currently has an appropriate mix of these skills and experience amongst its membership to enable the Board to operate effectively. Further details are set out in the Corporate Governance Statement. Biographical details for the Directors can be found on pages 24 to 25 of this report.

Revised the Code of Conduct

The Tabcorp Group revised and relaunched its Code of Conduct during the year. The Code of Conduct is titled 'Do the Right Thing' and builds upon Tabcorp's Ways of Working which are: Think customer; Think big; Be one team; Be accountable; and Do the right thing. The Code of Conduct applies to all Tabcorp Group employees, Directors and contractors. It sets out the standards of behaviour expected at Tabcorp and gives guidance in areas where Tabcorp people may need to make personal and ethical decisions. The Code of Conduct is available from the corporate governance section of the Tabcorp website at www.tabcorp.com.au/about-us_corporate-governance.aspx.

Set new diversity objective

Since Tabcorp met its diversity objective of at least 33% female representation in senior management roles by 2015, the Board and senior management have set a revised target to have at least 40% female representation in senior management roles by 2018. Senior management roles comprise the Senior Executive Leadership Team (Chief Executive Officer and direct reports) and the Senior Management Team (direct reports to the Senior Executive Leadership Team, and their direct reports, as determined by meeting a minimum role size).

Tabcorp's Diversity Policy is available from the corporate governance section of the Tabcorp website at www.tabcorp.com.au/about-us_corporate-governance.aspx. Also, Tabcorp's annual report under the Workplace Gender Equality Act is available from the sustainability section of Tabcorp's website at www.tabcorp.com.au/sustainability_employees.aspx.

Commenced a Board performance assessment

The Board commenced a self-evaluation performance assessment during the 2015 financial year. An independent external consultant assisted in preparing the evaluation questionnaire and made recommendations to enhance the assessment process. The assessment will include evaluation of the Board structure and its role, Board meetings and processes, the Board's relationship with management, the effectiveness of each Board Committee, and the performance of the Chairman, the Chairman of each Committee and each individual Director.

Director independence

The Board has agreed criteria against which Non Executive Directors are assessed to determine whether they are independent of management and free of any business or other relationship that could materially interfere with the exercise of their unfettered and independent judgment.

The Tabcorp Board determined that throughout the 2015 financial year and at the date of this report all Non Executive Directors of Tabcorp were independent. In reaching this determination, the Board considered, among other things, that:

- Paula Dwyer's independence is not affected by her 10 years of service on the Board; and
- There were no circumstances regarding a Director's association with a supplier, professional adviser, consultant to or customer of the Tabcorp Group that affected independence.

Tabcorp received the highest rating for corporate governance among companies in the global gambling sector in the last Dow Jones Sustainability Index results released in September 2014.

Board Committees

There are three committees of the Tabcorp Board:

- Audit, Risk and Compliance
- Remuneration
- Nomination

Board Committee membership is restricted to Non Executive Directors only. Each Committee is comprised of at least three members, and all Committee members are independent. The Chairman of the Board does not serve as the Chairman of the Audit, Risk and Compliance Committee or the Chairman of the Remuneration Committee.

Each Board Committee has terms of reference which set out the roles, responsibilities, composition and processes of each Committee. These terms of reference are available from the corporate governance section of the Tabcorp website at www.tabcorp.com.au/about-us_corporate-governance.aspx.

Risk management

The Audit, Risk and Compliance Committee oversees the Risk Management Framework and Compliance Framework applicable to the Tabcorp Group. These frameworks together with the Internal Audit Plan and associated policies and procedures set out the roles, responsibilities and guidelines for managing financial and operational risks associated with the Group's operations.

Each year the Audit, Risk and Compliance Committee reviews the risk profiles of the Tabcorp Group and the appropriateness of its Risk Management Framework. During the 2015 financial year the Audit, Risk and Compliance Committee introduced a risk deep dive process which enabled Directors and management to explore specific risk profiles relevant to key operating business units.

For further details relating to the Tabcorp Group's risk management practices, refer to the Corporate Governance Statement.

The key operating and financial risks and uncertainties for the Tabcorp Group are disclosed on pages 33 to 36 of the Directors' report.

Board of Directors



Paula Dwyer

Chairman since June 2011 and Non Executive Director since August 2005

Bachelor of Commerce; Fellow of the Chartered Accountants Australia and New Zealand; Fellow of the Australian Institute of Company Directors (AICD); Senior Fellow of the Financial Services Institute of Australasia.

Paula Dwyer is Chairman of Healthscope Limited, and a Director of Australia and New Zealand Banking Group Limited and Lion Pty Ltd. She is also a Member of the ASIC External Advisory Panel and the Kirin Holdings International Advisory Board.

Ms Dwyer was formerly a Director of Leighton Holdings Limited, Suncorp Group Limited, Foster's Group Limited, David Jones Limited, Astro Japan Property Group Limited and is a former member of the Victorian Casino and Gaming Authority and of the Victorian Gaming Commission from 1993 to 1995.

Ms Dwyer had an executive career in finance holding senior positions in investment management, investment banking and chartered accounting with Ord Minnett (now JP Morgan) and PricewaterhouseCoopers.

Ms Dwyer is Chairman of the Victorian Joint Venture Management Committee and Chairman of the Tabcorp Nomination Committee. She is a member of the Tabcorp Audit, Risk and Compliance Committee and Tabcorp Remuneration Committee.



David Attenborough

Managing Director and Chief Executive Officer since June 2011

Bachelor of Science (Honours); Masters of Business Administration.

David Attenborough joined Tabcorp in April 2010 as Managing Director – Wagering. He became Managing Director and Chief Executive Officer when Tabcorp's demerger of Echo Entertainment Group Limited was completed in June 2011.

Mr Attenborough was previously the Chief Executive Officer (South Africa) of Phumelela Gaming and Leisure Limited, the leading wagering operator in South Africa. His previous experience also includes the development of casino, bookmaking and gaming opportunities for British bookmaking company Ladbrokes (formerly part of the Hilton Group Plc).



Elmer Funke Kupper

Non Executive Director since June 2012

Bachelor of Business Administration; Master of Business Administration; Member of the AICD.

Elmer Funke Kupper was Tabcorp's Managing Director and Chief Executive Officer from September 2007 to June 2011, and previously he was Tabcorp's Chief Executive Australian Business from February 2006.

Mr Funke Kupper is Managing Director and Chief Executive Officer of ASX Limited. He is a director of the Business Council of Australia and a Male Champion of Change.

Mr Funke Kupper's career includes several senior executive positions with the Australia and New Zealand Banking Group Limited, including Group Head of Risk Management, Group Managing Director Asia Pacific and Managing Director Personal Banking and Wealth Management. Previously he was a senior management consultant with McKinsey & Company and AT Kearney.

Mr Funke Kupper is a member of the Tabcorp Audit, Risk and Compliance Committee and Tabcorp Nomination Committee.



Steven Gregg

Non Executive Director since July 2012

Bachelor of Commerce.

Steven Gregg is a Director of thoroughbred bloodstock company William Inglis & Son Limited and of Challenger Limited. He is also a Consultant and Senior Adviser to the Grant Samuel Group, Trustee of the Australian Museum Trust and a Director of The Lorna Hodgkinson Sunshine Home. He is the former Chairman of Goodman Fielder Limited and former Chairman of Austock Group Limited.

Mr Gregg had an executive career in investment banking and management consulting, having held senior executive roles with ABN Amro Bank, and Partner and Senior Adviser to McKinsey & Company.

Mr Gregg is a member of the Tabcorp Audit, Risk and Compliance Committee, Tabcorp Nomination Committee and Tabcorp Remuneration Committee.



Jane Hemstritch

Non Executive Director since November 2008

Bachelor of Science (First Class Honours); Fellow of the Chartered Accountants Australia and New Zealand; Fellow of the Institute of Chartered Accountants in England and Wales; Fellow of the AICD; Member of Chief Executive Women Inc.

Jane Hemstritch is a Director of the Commonwealth Bank of Australia, Lend Lease Group and Santos Limited. She is also a member of the Global Board of Herbert Smith Freehills Global LLP, Chairman of Victorian Opera Company Limited and a Member of the Council of the National Library of Australia.

Mrs Hemstritch was Managing Director – Asia Pacific for Accenture Limited where she was a member of Accenture’s global executive leadership team and managed its business portfolio in Asia Pacific spanning twelve countries.

Mrs Hemstritch is Chairman of the Tabcorp Audit, Risk and Compliance Committee and a member of the Tabcorp Nomination Committee.



Justin Milne

Non Executive Director since August 2011

Bachelor of Arts; Member of the AICD.

Justin Milne is Chairman of MYOB Group Limited and Chairman of NetComm Wireless Limited. He is also a Director of NBN Co Limited, Members Equity Bank Limited and SMS Management and Technology Limited.

Mr Milne had an executive career in telecommunications, marketing and media. From 2002 to 2010 he was Group Managing Director of Telstra’s broadband and media businesses, and headed up Telstra’s BigPond New Media businesses in China. He is also the former Chairman of pieNETWORKS Limited, former Director of Basketball Australia Limited and former Chief Executive Officer of OzEmail and the Microsoft Network.

Mr Milne is a member of the Tabcorp Audit, Risk and Compliance Committee and Tabcorp Nomination Committee.



Zygmunt Switkowski AO

Non Executive Director since October 2006

Bachelor of Science (Honours); PhD (Nuclear Physics); Fellow of the AICD.

Zygmunt Switkowski is the Chairman of Suncorp Group Limited and Chairman of NBN Co Limited. He is also a Director of Oil Search Limited and Chancellor of the Royal Melbourne Institute of Technology. He is a former Director of Lynas Corporation Limited and Healthscope Limited, and he is the former Chairman of the Australian Nuclear Science and Technology Organisation and former Chairman of Opera Australia.

Dr Switkowski was the Chief Executive Officer and Managing Director of Telstra Corporation Limited from 1999 to 2005, and is a former Chief Executive Officer of Optus Communications. He worked for Kodak (Australasia) for 18 years, serving as the Chairman and Managing Director from 1992 to 1996.

Dr Switkowski is Chairman of the Tabcorp Remuneration Committee. He is also a member of the Tabcorp Audit, Risk and Compliance Committee and Tabcorp Nomination Committee.

Senior Executive Leadership Team



David Attenborough Managing Director and Chief Executive Officer

David joined Tabcorp in April 2010 as Managing Director – Wagering. He became Managing Director and Chief Executive Officer following Tabcorp's demerger in June 2011.

He has an extensive background in totalisator and fixed odds betting, racing and broadcasting. He was previously the Chief Executive Officer (South Africa) of Phumelela Gaming and Leisure Limited, the leading wagering operator in South Africa. His previous experience includes the development of casino, bookmaking and gaming opportunities for British bookmaking company Ladbrokes (formerly part of the Hilton Group Plc).

David holds a Bachelor of Science (Honours) and a Masters of Business Administration.



Damien Johnston Chief Financial Officer

Damien joined Tabcorp in September 2003. He was Tabcorp's Deputy Chief Financial Officer, being responsible for Tabcorp's Corporate Finance function including Treasury and Investor Relations, and became Chief Financial Officer upon implementation of the Tabcorp demerger in June 2011.

He previously had a 21 year career with BHP Billiton with key finance roles in both Australia and Asia. These included both operational finance and corporate roles.

Damien holds a Bachelor of Commerce and is a member of CPA Australia.



Kerry Willcock Executive General Manager – Corporate, Legal and Regulatory

Kerry joined Tabcorp in February 2005. She is Tabcorp's Group General Counsel and Company Secretary. She is also responsible for regulatory, government relations, corporate affairs, internal communications, responsible gambling and community at Tabcorp. Kerry was previously General Counsel of Australia Post.

She is a founding member of the Australian Corporate Lawyers Association (ACLA) General Counsel 100 Group, a Member of AICD and a Fellow of Governance Institute of Australia.

Kerry is also a Member of the Victorian Government's Responsible Gambling Ministerial Advisory Committee.

Kerry holds a Bachelor of Laws and a Bachelor of Arts.



Meryll Dooley Executive General Manager – Human Resources

Meryll commenced with Tabcorp in October 1990 and has held numerous positions across a range of discipline areas including human resources, training and development, communications and sales. She became Executive General Manager – Human Resources in June 2011 following the implementation of the Tabcorp demerger.

Meryll holds a Masters of Business Administration (Executive) and a Bachelor of Arts.



Doug Freeman Executive General Manager – Commercial Development

Since joining Tabcorp in June 2005, Doug has held several senior finance and strategy roles within Tabcorp's wagering and media businesses. Most recently, Doug was Executive General Manager Strategy and Business Development before commencing his current role in July 2013.

He previously held senior finance and general management roles in medium to large multinational organisations in the service and manufacturing industries, including George Weston Foods Limited, Optus Group, and Alexander & Alexander Group.

Doug holds a Bachelor of Commerce and is a member of Institute of Chartered Accountants.



Craig Nugent
**Chief Operating Officer –
 Wagering and Media**

Craig joined Tab Limited in 1999 as Manager Oncourse Wagering and International Sales. Throughout his time with Tabcorp, and Tabcorp subsidiaries Tab Limited and Luxbet Pty Ltd, he has held senior executive roles in Fixed Odds Racing and Wagering, Oncourse Operations and International Sales. He commenced his current role in March 2014.

Prior to joining Tabcorp, he held management roles in the New South Wales racing industry bodies Australian Jockey Club and Sydney Turf Club.



Adam Rytenskild
**Chief Operating Officer –
 Keno and Gaming**

Adam joined Tabcorp in 2000 as State Manager – Retail Wagering and since then he has held numerous senior management roles. Following Tabcorp’s demerger in June 2011, Adam was appointed to the role of Executive General Manager – Distribution, responsible for leading Tabcorp’s customer distribution channels including the establishment of Digital and growing the Retail business.

He has extensive experience leading multi-channel businesses, including a nine year career with Mobil Oil prior to joining Tabcorp.

Adam holds a Masters of Business Administration and has attended the Senior Executive Programme at London Business School.



Michael Smith
Chief Marketing Officer

Michael joined Tabcorp in January 2015 to lead the strategic marketing and customer agenda for Tabcorp.

Previously he held the position of Chief Commercial Officer, Digital Life for SingTel (Singapore) with responsibility for leading the group digital agenda including identifying and growing new digital revenue streams. His previous roles include Managing Director, Consumer (Optus) and Chief Marketing Officer (SingTel Optus), and he has also held commercial roles with the Commonwealth Bank of Australia.

Michael holds a Bachelor of Business.



Kim Wenn
Chief Information Officer

Kim commenced at Tabcorp in April 2005 and has held several positions in Tabcorp’s wagering technology field before being appointed to her current role in June 2011 following Tabcorp’s demerger.

She has extensive experience managing and leading technology businesses, including a five year career with Quest Software prior to joining Tabcorp.

Kim holds a Masters in Management and Technology, a Bachelor of Science (Computing) and has attended the Advanced Management Programme at Harvard Business School. She is a Graduate Member of the AICD.

Directors' report

The Directors of the Company submit their report for the consolidated entity comprising the Company and its controlled entities (collectively referred to as 'the Tabcorp Group') in respect of the financial year ended 30 June 2015.

1. Directors

The names and details of the Company's Directors in office during the financial year and until the date of this report (except as otherwise stated) are set out on pages 24 and 25.

2. Directorships of other listed companies

The following table shows, for each person who served as a Director during the financial year and up to the date of this report (unless otherwise stated), all directorships of companies that were listed on the ASX or other financial markets operating in Australia, other than Tabcorp, since 1 July 2012, and the period for which each directorship has been held.

Name	Listed entity	Period directorship held
Paula Dwyer	Australia and New Zealand Banking Group Limited	April 2012 to present
	Healthscope Limited ⁽ⁱ⁾	June 2014 to present
	Leighton Holdings Limited	January 2012 to May 2014
David Attenborough	Nil	
Elmer Funke Kupper	ASX Limited	October 2011 to present
Steven Gregg	Challenger Limited	October 2012 to present
	Goodman Fielder Limited	February 2010 to March 2015
Jane Hemstritch	Commonwealth Bank of Australia	October 2006 to present
	Lend Lease Group	September 2011 to present
	Santos Limited	February 2010 to present
Justin Milne	MYOB Group Limited	March 2015 to present
	NetComm Wireless Limited	March 2012 to present
	Quickflix Limited	July 2011 to November 2012
Zygmunt Switkowski	Lynas Corporation Limited	February 2011 to August 2013
	Oil Search Limited	November 2010 to present
	Suncorp Group Limited ⁽ⁱⁱ⁾	September 2005 to present

(i) Healthscope Limited recommended listing on the ASX on 28 July 2014.

(ii) Includes the period as a Director of Suncorp-Metway Limited prior to the corporate restructure of the Suncorp Group.

3. Company Secretaries

Kerry Willcock joined the Tabcorp Group in February 2005 as Executive General Manager, Corporate and Legal. She holds a Bachelor of Arts and a Bachelor of Laws. She has extensive commercial, legal, litigation and government relations experience having worked with Allens Arthur Robison, Clayton Utz and the Australian Postal Corporation, where she held the position of General Counsel. Kerry is a Founding Member of the Australian Corporate Lawyers Association GC100, a Member of the Victorian Government's Responsible Gambling Advisory Committee, a Liaison Delegate of the Business Council of Australia, and a Member of the Australian Institute of Company Directors.

Michael Scott was appointed as an additional Company Secretary in August 2012. He has been assistant to the Company Secretary since joining the Tabcorp Group in September 2002. He holds a Graduate Diploma of Applied Corporate Governance and a Bachelor of Land Information (Cartography). Michael is a Fellow of Governance Institute of Australia, Graduate Member of the Australian Institute of Company Directors and Fellow of Leadership Victoria's Williamson Community Leadership Program.

4. Principal activities

The principal activities of the Tabcorp Group during the financial year comprised the provision of gambling and entertainment services. The Tabcorp Group's principal activities remain unchanged from the previous financial year, except as disclosed elsewhere in this report.

5. Operating and financial review of the Tabcorp Group

The financial results of the Tabcorp Group for the financial year ended 30 June 2015 relate to the Tabcorp Group's operations, which comprise its three businesses of Wagering and Media, Gaming Services, and Keno.

A summary of the Tabcorp Group's financial performance for the year ended 30 June 2015 and comparison to the prior financial year is shown in the table below.

Summary financial performance of the Tabcorp Group

	2015 \$m	2014 \$m	Change %
For the year ended 30 June			
Revenue	2,155.5	2,039.8	5.7
Taxes, levies, commissions and fees	(1,188.8)	(1,120.3)	6.1
Operating expenses	(458.6)	(433.4)	5.8
Depreciation and amortisation	(173.5)	(164.4)	5.5
EBIT	334.6	321.7	4.0
NPAT (including discontinued operations)	334.5	129.9	157.5

Reported net profit after income tax (NPAT) of the Tabcorp Group for the financial year was \$334.5 million, which was 157.5% above the previous financial year. NPAT was positively impacted by income tax benefits relating to the Victorian Wagering and Gaming Licences payment and the New South Wales (NSW) Trackside payment and associated interest income which totalled \$163.2 million (refer to sections 7.4 and 7.5). NPAT from continuing operations for the financial year excluding these income tax benefits and related interest was \$171.3 million, which was 14.7% above the previous financial year. The reported NPAT for the prior 2014 financial year was impacted by a loss of \$19.5 million comprised of the Health Benefit Levy (HBL) and associated costs which related to the former Tabaret Victorian Gaming business and was reported as a discontinued operation.

Revenue was \$2,155.5 million, which was 5.7% above the previous financial year.

Tabcorp's 2015 financial performance demonstrates the progress made in the delivery of our multi-channel distribution strategy and our focus on customers, products and brands. The Wagering and Media business achieved strong revenue and EBITDA growth in the financial year, with customers responding to our integrated retail and digital offer. This business continues to lead the market on the back of our product and channel innovation.

The Tabcorp Gaming Solutions (TGS) business has been enhanced by extending a number of contracts and signing new venues in NSW and Victoria. TGS is providing value to licensed venues and becoming a more sustainable business for Tabcorp shareholders.

Keno is undergoing a brand and product transformation, which commenced in June 2015. Initial results have been pleasing and we are well placed to continue to benefit from investments we are making in the network.

Tabcorp's businesses generated more than \$1.2 billion in gambling taxes and racing industry funding in FY15, highlighting the value that Tabcorp's operations provide to stakeholders.

Shareholders' funds as at the end of the financial year totalled \$1,690.1 million, which was 14.1% above the previous financial year.

Refer to section 6 for information about the financial and operational performance of each business unit within the Tabcorp Group.

5.1 Earnings per share

In respect of continuing operations, basic earnings per share for the period were 42.4 cents, up 114.1% on the previous financial year, and diluted earnings per share for the period were 42.2 cents, up 114.2% on the previous financial year.

Total basic earnings per share were 42.4 cents, up 146.5% on the previous financial year, and total diluted earnings per share were 42.2 cents, up 146.8% on the previous financial year.

Earnings per share are disclosed in note 6 to the Financial Report.

5.2 Dividends

A final dividend of 10 cents per share has been announced. The final dividend will be fully franked and payable on 24 September 2015 to shareholders registered at 20 August 2015. The ex-dividend date is 18 August 2015.

The interim and final dividends payable in respect of the full year totalled 20 cents per share fully franked, which represented a dividend payout ratio of 93% of full year NPAT from continuing operations excluding the income tax benefits and related interest referred to in section 5.

In addition, a special dividend of 30 cents per share fully franked was paid on 16 March 2015.

The Board intends that the target dividend payout ratio will increase to 90% of NPAT before amortisation of the Victorian Wagering and Betting Licence for the 2016 financial year.

Tabcorp's Dividend Reinvestment Plan (DRP) will operate in respect of this final dividend, with no discount or underwriting applicable.

The following dividends have been paid, declared or recommended by the Company since the end of the preceding financial year:

	\$m
2015 final dividend	
Final fully franked dividend for 2015 of 10 cents per share on ordinary shares as announced on 13 August 2015 with a record date of 20 August 2015 and payable on 24 September 2015.	82.9
2015 special dividend	
Special fully franked dividend of 30 cents per share on ordinary shares (other than on new shares issued under the pro rata accelerated renounceable entitlement offer) as announced on 5 February 2015 with a record date of 11 March 2015 and payable on 16 March 2015.	229.7
2015 interim dividend	
Interim fully franked dividend for 2015 of 10 cents per share on ordinary shares (other than on new shares issued under the pro rata accelerated renounceable entitlement offer) as announced on 5 February 2015 with a record date of 11 March 2015 and payable on 16 March 2015.	76.6
2014 final dividend	
Final fully franked dividend for 2014 of 8 cents per share on ordinary shares as announced on 7 August 2014 with a record date of 14 August 2014 and payable on 24 September 2014.	61.0

Further information regarding dividends may be found in note 5 to the Financial Report.

Directors' report (continued)

6. Operating and financial review of each business

The Tabcorp Group's structure comprises the following three businesses:

- Wagering and Media;
- Gaming Services; and
- Keno.

In the first half of the financial year, the Tabcorp Group's previous Media and International business was combined with the Wagering business as the nature of products and services are inherently related.

The activities and results for these operations during the financial year are discussed below.

6.1 Wagering and Media business

The Tabcorp Group conducts wagering activities under the TAB brand in Victoria and NSW, and the ACTTAB brand in the Australian Capital Territory (ACT) through a network of agencies, hotels and clubs; provides on-course totalisators at thoroughbred, harness and greyhound metropolitan and country race meetings; and via the internet, mobile devices, phone and pay TV. TAB customers can wager on a wide range of totalisator and fixed odds betting products offered on racing and sporting events. In Victoria, the business operates under a 50/50 Joint Venture with the Victorian Racing Industry. The Victorian Wagering and Betting Licence expires in August 2024, but the licence may be extended for a further period of up to two years at the discretion of the responsible minister. The NSW Wagering Licence expires in March 2027 with the retail exclusivity period expiring in June 2033. The ACT Totalisator Licence expires in October 2064, the ACT Sports Bookmaking Licence is for an initial term of 15 years expiring in October 2029 with further rolling extensions to a total term of 50 years (to October 2064), and the ACT Approval to Conduct Trackside expires in October 2064.

Tabcorp's Wagering and Media business operates Luxbet, offering a racing, sport and novelty product bookmaking service to Australian customers by phone, internet and mobile devices based in the Northern Territory. Luxbet operates under a licence to conduct a racing and sports bookmaker business in the Northern Territory which expires in June 2020. The Luxbet Europe business commenced during the year pursuant to a UK Combined Remote Operating Licence which has no expiry date, and an Isle of Man licence to conduct online gambling which expires in January 2019.

The business operates Trackside, a computer simulated racing product, in Victoria, NSW and the ACT, and also licences the product for use in other domestic and overseas jurisdictions.

The Tabcorp Group has a 50% interest in the Premier Gateway International (PGI) joint venture in the Isle of Man, which provides wagering services for PGI customers and pooling services to the Tabcorp Group and other international wagering operators in various jurisdictions outside Australia.

In addition, the business has specialist television and radio operations focused on the racing industry and other associated content. The business operates three Sky Racing television channels and broadcasts thoroughbred, harness and greyhound racing and other sports to audiences in TAB outlets, hotels, clubs and other licensed venues, and into homes to pay TV subscribers. The business manages the export of Australian racing to 52 other countries (as at 30 June 2015) which includes vision, form guides and wagering data, and also the import of racing content to Australian customers. The business also operates the Sky Sports Radio network which broadcasts throughout NSW and the ACT, and has advertising and sponsorship arrangements with Radio Sport National.

Summary financial performance of the Wagering and Media business

For the year ended 30 June	2015 \$m	2014 \$m	Change %
Revenue	1,856.9	1,737.8	6.9
Taxes, levies, commissions and fees	(1,099.4)	(1,029.8)	6.8
Operating expenses	(381.7)	(357.3)	6.8
EBITDA*	375.8	350.7	7.2
Depreciation and amortisation	(128.6)	(116.6)	10.3
EBIT	247.2	234.1	5.6

* EBITDA (earnings before interest, tax, depreciation and amortisation) is non-IFRS financial information.

Wagering and Media revenues were \$1,856.9 million, up 6.9%. Operating expenses, including one-off ACTTAB acquisition and integration costs, were \$381.7 million, up 6.8%. EBITDA was \$375.8 million, up 7.2%.

On a total business basis, including the Victorian Racing Industry's 50% share of the Victorian Joint Venture, Wagering and Media revenues were up 6.2%.

The largest drivers of Tabcorp's Wagering growth in recent years, Fixed Odds and Digital Wagering, were again the strongest contributors in the financial year. The strong performance was supported by a focus on the customer experience and successful execution of major events such as the Spring Racing Carnival, The Championships and Soccer World Cup.

TAB Racing revenues were \$1,666.3 million, up 5.1%. This comprised \$1,236.7 million in totalisator revenues, down 2.1%, and fixed odds revenues of \$429.6 million, up 33.0%.

TAB Sports revenues were \$219.2 million, up 16.2%. TAB's Fixed Odds Cash-Out product was successfully introduced into the market across all channels, an example of ongoing product innovation.

Trackside revenues were \$99.9 million, up 11.9%. Luxbet revenues were \$53.1 million, up 10.9%.

Media revenues were \$173.3 million, up 6.3%, with the growth driven by the expanded distribution of Australian and New Zealand racing to foreign markets and international co-mingling. Tabcorp commenced pooling into Hong Kong in the first half of the 2015 financial year.

Wagering turnover in Tabcorp's NSW, Victoria and ACT retail channel grew 0.3% to \$6,601.0 million. Digital channels continued to drive Wagering growth, with turnover of \$3,416.8 million, up 17.8%. The use of mobile devices now accounts for 63% of all digital turnover. The integration of the digital and retail channels is progressing with Tabcorp's Future Retail pilot sites going live this half.

6.2 Gaming Services business

The Tabcorp Group operates TGS in Victoria and NSW. The business provides services to licensed gaming venues in areas including marketing, compliance, responsible gambling, venue refurbishment and machine procurement.

Summary financial performance of the Gaming Services business

For the year ended 30 June	2015 \$m	2014 \$m	Change %
Revenue	99.6	98.1	1.5
Taxes, levies, commissions and fees	(0.8)	-	n/a
Operating expenses	(31.2)	(31.1)	0.3
EBITDA	67.6	67.0	0.9
Depreciation and amortisation	(26.0)	(27.3)	(4.8)
EBIT	41.6	39.7	4.8

TGS revenues were \$99.6 million, up 1.5%. Operating expenses were flat at \$31.2 million, while EBITDA was \$67.6 million, up 0.9%.

TGS has made good progress by signing new venues in the NSW market as well as in Victoria where it is well established. TGS has added Club Cats Geelong, Maitland Leagues Club, Illawarra Steelers Club and Bankstown Trotting Recreational Club to its portfolio of venues and now has 9,300 gaming machines under contract.

TGS has also extended a number of contracts across the Victorian network, with 84% of the base now contracted through to 2022.

The business is well placed to continue delivering additional venue sign-ups and sustainable, long-term performance. During the 2016 financial year TGS will expand its resources and capability to support its growth. The additional operating expenditure associated with these initiatives is expected to be \$5 million per year from the 2016 financial year.

6.3 Keno business

The Tabcorp Group operates Keno in licensed venues and TABs in Victoria, Queensland and the ACT, and in licensed venues in NSW. The Victorian Keno Licence expires in April 2022, the NSW Keno Licence expires in July 2022, the Queensland Keno Licence expires in June 2047, and the ACT Approval to Conduct Keno expires in October 2064.

Summary financial performance of the Keno business

For the year ended 30 June	2015 \$m	2014 \$m	Change %
Revenue	199.0	203.9	(2.4)
Taxes, levies, commissions and fees	(88.6)	(90.5)	(2.1)
Operating expenses	(44.0)	(41.2)	6.8
EBITDA	66.4	72.2	(8.0)
Depreciation and amortisation	(18.9)	(20.5)	(7.8)
EBIT	47.5	51.7	(8.1)

Total Keno network turnover was up 2.7%, reflecting improved customer activity in NSW and Victoria, offset by a softer Queensland market.

Keno revenues were \$199.0 million, down 2.4%, impacted by jackpot activity. Operating expenses were \$44.0 million, up 6.8% reflecting investments in capability, the Keno brand and product transformation. EBITDA was \$66.4 million, down 8.0%.

The new Keno experience has been well received by customers in Victoria and NSW, where it has been launched. The linking of jackpots between NSW and Victoria has commenced, with Queensland planned to follow, subject to regulatory approvals.

7. Significant changes in the state of affairs

The following events, which may be considered to be significant changes in the state of affairs of the Tabcorp Group, have occurred since the commencement of the financial year on 1 July 2014.

7.1 ACTTAB acquisition

On 14 October 2014, the Tabcorp Group acquired the ACTTAB business from the ACT Government. As part of the acquisition, the Tabcorp Group was issued a 50 year exclusive totalisator licence, a sports bookmaking licence for an initial term of 15 years with further rolling extensions to a total term of 50 years, and ongoing approvals to offer Keno and Trackside products for 50 years.

Directors' report (continued)

7.2 Media rights

The short term agreement between Sky Channel Pty Ltd ('Sky Racing'), a Tabcorp Group subsidiary, and ThoroughVision Pty Ltd ('TVN') for NSW and Victorian thoroughbred racing media rights expired on 17 December 2014 which resulted in vision for NSW and Victorian thoroughbred race meetings not being available for broadcast on Sky Racing channels from 18 December 2014. Broadcasting of NSW and Victorian thoroughbred racing resumed on Sky Racing channels on 31 December 2014 following interim arrangements agreed with respective rights holders.

The NSW and Victorian shareholders of TVN decided to pursue different media strategies and in March 2015 TVN ceased broadcasting. The Tabcorp Group has agreed separate media rights arrangements for the broadcasting rights of NSW thoroughbred racing and Victorian thoroughbred racing with respective rights holders.

Tabcorp announced on 28 January 2015 that binding heads of agreement were finalised for Sky Racing to have the domestic and international media rights, as well as non-exclusive digital rights, for all NSW thoroughbred racing for 10 years. The Company also announced that it had concluded arrangements for Sky Racing's thoroughbred showcase channel, Sky Racing World, to be included on FOXTEL's base tier.

On 7 August 2015, Tabcorp announced that it had reached agreement on a media rights deal for Victorian thoroughbred racing. The arrangements, which expire in 2020, include domestic, digital and international rights for Victorian thoroughbred racing.

These long term media rights arrangements deliver certainty for Tabcorp, the racing industry, retail venue partners and wagering customers.

All Australian racing vision is available on the Sky Racing broadcast and TAB digital platforms.

7.3 Special dividend and entitlement offer

The Company paid a fully franked special dividend of 30 cents per ordinary share (other than on new shares issued under the pro rata accelerated renounceable entitlement offer) on 16 March 2015 to shareholders registered at 11 March 2015. The special dividend was paid out of retained earnings. To maintain Tabcorp's current balance sheet and capital position, the special dividend was funded through a pro rata fully underwritten accelerated renounceable entitlement offer with retail entitlements rights trading which raised \$236 million. Under the entitlement offer, eligible shareholders could acquire one additional ordinary share for every 12 existing ordinary shares held at the record date of 10 February 2015.

7.4 Trackside tax treatment

In November 2014, Tabcorp resolved with the Australian Taxation Office the tax treatment of the \$150 million paid to the NSW Government under the Trackside Agreement entered into in December 2010 in relation to the operation of Trackside in NSW. As a result, Tabcorp recognised an income tax benefit of \$31.5 million in the 2015 financial year.

7.5 Tax treatment for Victorian licences payment

In May 2015, Tabcorp resolved with the Australian Taxation Office the tax treatment of the \$597.2 million paid to the State of Victoria in 1994 in relation to the Gaming and Wagering Licences granted at that time. The agreed tax treatment provides Tabcorp with an allowable deduction of \$429.6 million, with the balance generating a capital loss of \$167.6 million. As a result, Tabcorp recognised an income tax benefit of \$128.9 million in the 2015 financial year.

7.6 Victorian licence payment Supreme Court proceedings

In August 2012, Tabcorp commenced proceedings in the Supreme Court of Victoria seeking a payment from the State of Victoria of an estimated \$686.8 million. Tabcorp claims that the State of Victoria was obliged to make the payment to Tabcorp in August 2012, when Tabcorp's Gaming and Wagering Licences expired and new licences were granted. The claim is based on a statutory provision included in legislation from 1994 when the State privatised the Victorian TAB and listed Tabcorp on the Australian Securities Exchange. Tabcorp's initial public offering was underpinned by this statutory entitlement, the terms of which were clearly set out in the prospectus.

However, in its judgment handed down on 26 June 2014 the Supreme Court held that the State of Victoria was not obliged to make the payment to Tabcorp. The Court accepted the State's argument that amendments to the legislation made by the State in 2008 and 2009 impliedly repealed the statutory provision which gave rise to the payment entitlement. Tabcorp was unsuccessful in its subsequent appeal to the Court of Appeal of the Supreme Court of Victoria which handed down its judgment on 4 December 2014.

On 15 May 2015, the High Court of Australia granted Tabcorp special leave to appeal in respect for the judgment of the Court of Appeal in relation to its claim based on the statutory provision.

The appeal is likely to be heard in the High Court during 2015.

7.7 Victorian Health Benefit Levy on gaming machines

The Victorian Government applied a Health Benefit Levy on the Tabcorp Group's former Tabaret Gaming business for the financial year ended 30 June 2013. The levy was not applied pro rata and it does not reflect that Tabcorp ceased to operate gaming machines on 15 August 2012 when its Victorian Gaming Licence expired. Tabcorp commenced legal proceedings in the Supreme Court of Victoria to challenge the Victorian Government's determination in respect of the levy.

On 24 June 2013 the Supreme Court of Victoria ruled in favour of Tabcorp, deciding that the Victorian Government has a discretion under the Gambling Regulation Act 2003 (Vic) to calculate the levy on a pro rata basis rather than on the full financial year. The Victorian Government appealed the judgment, and on 1 July 2014 the Court of Appeal of the Supreme Court of Victoria ruled in favour of the Victorian Government. This impacted Tabcorp's earnings for the 2014 financial year by \$19.5 million after tax. Tabcorp applied for special leave to appeal to the High Court of Australia in respect of the judgment of the Court of Appeal, however on 13 February 2015 the High Court of Australia declined to grant Tabcorp special leave. There is no further impact on Tabcorp's financial accounts as a result of that decision.

7.8 Other significant changes in the state of affairs

There were no significant changes in the state of affairs of the Tabcorp Group that occurred during the financial year other than as set out in this Directors' report.

8. Business strategies

The Tabcorp Group is one of Australia's leading gambling entertainment companies and seeks to deliver sustainable superior returns to its shareholders through the delivery of financial, operational and leadership excellence.

To achieve these outcomes, the Tabcorp Group continues to focus on the following key business priorities:

- Group
 - Provide superior returns to shareholders and key stakeholders
 - Target a disciplined investment and expenditure profile
 - Maintain investment grade credit rating
 - Deliver customer service excellence
 - Secure and extend licence duration while improving regulatory arrangements and managing key risks
 - Attract, develop and retain talent
 - Create a highly engaged and diverse workforce
 - Be recognised as a global leader in responsible gambling
- Wagering and Media
 - Maintain market leadership and drive industry transformation
 - Focus on increased digital integration across the retail network
 - Develop new products, partnerships and digital platforms
 - Strengthen customer relationships and retention through loyalty and customer relationship management programs
 - Further integrate vision and data with wagering products
 - Maximise customer engagement from broadcast media rights
 - Pursue disciplined, close to core, international expansion
- Gaming services
 - Grow revenue and gaming performance in the NSW and Victorian markets
 - Extend Victorian five year contracted venues to 10 years
 - Expand NSW business
 - Enter the ACT market and evaluate entry into other states
 - Expand customer loyalty program

- Keno
 - Improve customer experience to drive participation
 - Rebrand, and refresh in-venue offer with digital innovation
 - Introduce new product offerings and expand jackpot pooling to include Queensland
 - Establish digital Keno offering

9. Likely developments and expected results

Each year the Board undertakes a formal strategic planning process to provide guidance to management about the Tabcorp Group's strategic direction. The Tabcorp Group plans to continue with its business strategies, as set out in this report. The execution of these strategies is expected to result in improved financial performance over the coming financial years.

The achievement of the expected results in future financial years is dependent on a range of factors, and may be adversely affected by any number of events, and are subject to, among other things, the key risks and uncertainties described in section 10 below.

The Directors have excluded from this report any further information on the likely developments in the operations of the Tabcorp Group and the expected results of those operations in future financial years, as the Directors have reasonable grounds to believe that to include such information will be likely to result in unreasonable prejudice to the Tabcorp Group.

10. Key risks and uncertainties

The Tabcorp Group has a structured and proactive approach to understanding and managing risk. The key focus of the risk management approach is to ensure alignment of strategy, processes, people, technology and knowledge, and evaluate and manage the uncertainties and opportunities faced by the Tabcorp Group. Overviews of the Tabcorp Group's risk management processes and internal control framework are disclosed in the Company's corporate governance statement available on Tabcorp's website.

Set out below are summaries of the key risks that may materially impact the execution and achievement of the business strategies and prospects for the Tabcorp Group in future financial years. These key risks should not be taken to be a complete or exhaustive list of the risks and uncertainties associated with the Tabcorp Group. Many of the risks are outside the control of the Directors. There can be no guarantee that Tabcorp will achieve its stated objectives, that it will meet trading performance or financial results guidance that it may provide to the market, or that any forward looking statements contained in this report will be realised or otherwise eventuate.

Directors' report (continued)

10.1 Regulation and changes to the regulatory environment

The activities of the Tabcorp Group are conducted in highly regulated industries. The gambling activities that members of the Tabcorp Group conduct, and will conduct, and the level of competition that they experience, and will experience, depend to a significant extent on:

- the licences granted to the Tabcorp Group and to third parties; and
- government policy and the manner in which the relevant governments exercise their broad powers in relation to the manner in which the relevant businesses are conducted.

Changes in legislation, regulation or government policy may have an adverse impact on the Tabcorp Group's operational and financial performance. Court decisions concerning the constitutionality or interpretation of such legislation, regulations or government policy may have an adverse effect on the operational and financial performance of the Tabcorp Group. Potential changes, which would potentially negatively affect the value of the licences granted to members of the Tabcorp Group, and potentially the Tabcorp Group's financial performance, include:

- changes in state wagering, Keno or other gambling tax rates and levies;
- changes or decisions concerning race fields and sports product fees, advertising restrictions and the distribution of gambling products, including through particular channels;
- changes impacting on aspects of retail exclusivity;
- variations to permitted deduction rates and returns to players;
- variations to arrangements for racing industry funding in Victoria, NSW and ACT;
- changes to the conditions in which venues offering products of members of the Tabcorp Group must operate;
- the introduction of additional legislation to guard against money laundering;
- the introduction of further legislation to implement further responsible gambling measures;
- changes or decisions by government or industry concerning wagering, Keno or other forms of gambling; and
- any other legislative change.

Any non-renewal of licences currently held by members of the Tabcorp Group, or the issue of additional wagering, Keno or other gambling licences to third parties, would potentially result in the Tabcorp Group not generating the revenue it currently generates from its licences, which could adversely impact the Tabcorp Group's financial performance and financial position.

Changes to the regulatory environment in some of the jurisdictions in which the Tabcorp Group operates that have been made or foreshadowed and that may have an adverse effect on the operational and financial performance of the Tabcorp Group include the expansion throughout Australia of sports product fees or increases in those fees for sports betting operators. This risk, and the similar race fields fee risk, are detailed below.

The rapid deregulation of the national wagering market has seen a dramatic growth in market share by the corporate bookmakers, mostly located in the Northern Territory, and the introduction of race fields fees legislation across Australia (which allows racing codes in a state or territory to charge wagering operators for the use of race fields information, irrespective of the domicile of the operator). This rapid deregulation has the potential to have an adverse impact on the Tabcorp Group's earnings in the short term as market changes continue. Tabcorp continually adjusts its wagering business model to take account of the changed market dynamics and to mitigate the adverse consequences of deregulation.

As a leader in the Australian gambling industry, the Tabcorp Group takes a proactive approach to engaging with relevant regulators and governments, and lodges submissions in respect of changes to the industry which may impact the Tabcorp Group and its stakeholders.

The Tabcorp Group operates a diverse portfolio of businesses spread across a number of jurisdictions, business segments and customer categories which reduces the reliance on any one specific business or jurisdiction. The Tabcorp Group maintains long term gambling licences, and seeks new licences and to extend existing licences where possible. During the financial year, the Tabcorp Group was successful in acquiring ACTTAB which secured long term licences in the ACT.

10.2 Disciplinary action and cancellation of licences

In certain situations (including if the Tabcorp Group fails to meet the terms and conditions of its licences or other compliance requirements), the authorities that regulate the licences and authorisations that have been granted to members of the Tabcorp Group (including the Victorian Wagering and Betting Licence; the Victorian, NSW and Queensland Keno Licences; the ACT Keno authorisation, the NSW and ACT totalisator and sports bookmaking licences; and the Northern Territory sports bookmaking licence) may take disciplinary action against relevant members of the Tabcorp Group.

The disciplinary action that may be taken includes the issue of a letter of censure, the imposition of fines, the variation of the terms of, or imposition of new terms on, a licence or authorisation, and the suspension, termination or cancellation of a licence or authorisation.

The suspension, cancellation or termination of any of the key licences or authorisations held by a member of the Tabcorp Group would potentially result in a loss of revenue and profit for the Tabcorp Group, which would adversely affect the Tabcorp Group's financial performance and financial position.

Certain licences held by members of the Tabcorp Group, including the Victorian Wagering and Betting Licence, impose conditions requiring the licensee to comply with applicable laws, a breach of which is grounds for disciplinary action. In this respect, refer to section 11 below.

10.3 Competition

In a broad sense, gambling activities compete with other consumer products for consumers' discretionary expenditure and, in particular, with other forms of leisure and entertainment including cinema, restaurants, sporting events, the internet and pay television.

Further, the Tabcorp Group's Wagering and Media business currently competes with bookmakers in Victoria and NSW, and other interstate and international wagering operators who accept bets over the telephone or internet (such as corporate bookmakers based in the Northern Territory and betting exchanges). The internet and other new forms of distribution have allowed new competitors to enter the Tabcorp Group's traditional markets of Victoria and NSW without those competitors being licensed in those states. Further, recent court decisions, the significant relaxation of advertising laws (or the way in which they have been administered) and the increasing application of competition policy have allowed other wagering operators to gain greater freedom to compete nationally.

Competition from interstate and international operators may extend to the Tabcorp Group's retail wagering network.

Equally, the Tabcorp Group's Keno and TGS businesses each face competition in their respective industries.

If the Tabcorp Group does not adequately respond to the competition which it faces, there may be a change in consumer spending patterns which may have an adverse effect on the operational and financial performance of the Tabcorp Group.

The Tabcorp Group adopts a range of strategies, including leveraging its exclusive retail network, expanding its TAB customer loyalty program, enhancing its customer service and relationship management, and driving digital excellence across its multi-channel network.

10.4 Racing products

The Tabcorp Group's Wagering and Media business is reliant on the Victorian, NSW and other interstate racing industries providing a program of events for the purposes of wagering. A significant decline in the quality or number of horses or greyhounds, or number of events, or the occurrence of an event which adversely impacts on the Australian racing industry or any State or Territory racing industry, or which otherwise disrupts the scheduled racing program (such as an outbreak of equine influenza or other equine pandemic), would have a significant adverse effect on wagering revenue and may have an adverse effect on the operational and financial performance of the Tabcorp Group. The Tabcorp Group engages and works closely with racing bodies and industry stakeholders to optimise racing schedules and broadcasts to provide the best racing product available to customers and ameliorate the potential for adverse impacts that may result from a decline in racing product. In addition, the Tabcorp Group has business continuity plans to help manage and respond to significant events which may impact upon the supply of racing product.

10.5 Race field and sports product fees

Each State and Territory of Australia has implemented race fields arrangements, under which each State or Territory or its racing industry charges wagering operators product fees for use of that industry's race fields information (or otherwise charges fees in respect of the operator's race betting operations in that State or Territory). Consequently, the Tabcorp Group is required to pay product fees to the relevant racing controlling body. Similarly, legislation has been introduced or proposed in various jurisdictions to support the imposition by sports controlling bodies of fees payable by wagering operators betting on relevant sporting events. In 2014, some bodies introduced new fee models and rates which increased the expenses of the Wagering and Media business in the 2015 financial year. There is also the potential for further increases in, or the introduction of new, such fees which may have an adverse effect on the operational and financial performance of the Tabcorp Group. However, the Tabcorp Group has mitigation strategies to partly ameliorate such impacts, including that members of the Tabcorp Group currently have contracts that the Tabcorp Group considers will allow them to offset some of the fees or obtain damages under contract. Members of the Tabcorp Group may in the future disagree with various racing industry bodies regarding the application of certain aspects of the race fields regimes or contracts that govern product fees. Such disagreements may lead to litigation or other dispute resolution processes, including negotiated settlement.

10.6 Sky Channel arrangements

Sky Channel requires and holds rights to broadcast various race meetings and other sporting events held throughout Australia and internationally. Certain of the contracts pursuant to which these broadcast rights are held have expired or will expire, and new contracts are being negotiated or will require renegotiation. The Tabcorp Group was in negotiations with rights holders of thoroughbred horse racing broadcast rights of Victorian and NSW racetracks with a view to entering into new broadcast rights arrangements. Binding heads of agreement were finalised in January 2015 in respect of certain NSW thoroughbred racing broadcast rights for a period of ten years. On 7 August 2015, the Tabcorp Group reached agreement on a media rights deal for Victorian thoroughbred racing which expires in 2020. These long term media rights arrangements deliver certainty for Tabcorp, the racing industry, retail venue partners and wagering customers. If, for any reason, the Tabcorp Group is unable to renegotiate any of its key broadcast arrangements or to renegotiate them on materially the same or similar terms, then this may adversely impact the operational and financial performance of the Tabcorp Group's Wagering and Media business. The Tabcorp Group has alternative business plans to mitigate potential adverse impacts should they arise. In addition, the Tabcorp Group continues to expand the export of Australian racing vision to more countries around the world and import racing content to Australian customers.

10.7 Victorian licence payment Supreme Court proceedings

As referred to in section 7.6, Tabcorp is seeking a payment from the State of Victoria of \$686.8 million. Tabcorp has been granted special leave to appeal to the High Court of Australia in respect of the judgment of the Court of Appeal of the Supreme Court of Victoria handed down in favour of the State of Victoria. The financial impact to the Tabcorp Group resulting from the

Directors' report (continued)

write down of the receivable in respect of the Victorian Gaming and Wagering Licences has been dealt with in previous financial years. Due to the nature of adversarial litigation, the outcome cannot be predicted with any certainty. Tabcorp may ultimately not succeed in recovering the payment from the State of Victoria. If Tabcorp is unsuccessful in its claim, there should be no further adverse financial effect on the Company other than arising from the payment of legal costs in relation to pursuing the claim.

Notwithstanding that Tabcorp's appeal will be heard by the High Court, Tabcorp resolved with the Australian Taxation Office the tax treatment of the \$597.2 million paid to the State of Victoria in 1994. As a result, Tabcorp recognised an income tax benefit of \$128.9 million in its financial statements for the year ended 30 June 2015. Further information is available in section 7.5.

10.8 Technology security risks

The Tabcorp Group's businesses rely on the successful operation of technology infrastructure. A technology security failure, such as a cyber attack, could impact upon the Tabcorp Group's technology systems and equipment, which may potentially adversely impact the operational and financial performance of the Group. Significant resources are allocated to managing the Group's information technology portfolio, including specialist resources dedicated to information security and responding to cyber risks. The Tabcorp Group's information security management system has been certified to ISO 27001 standard. The Tabcorp Group continues to evolve and strengthen its practices to effectively manage technology security risks.

11. Significant events after the end of the financial year

In July 2015, Tabcorp announced that civil proceedings had been brought by the CEO of Australian Transaction Reports and Analysis Centre (AUSTRAC) against Tabcorp Holdings Limited and the Tabcorp Group's NSW and Victorian wagering businesses. The statement of claim includes matters which have been raised by and discussed with AUSTRAC over an extended period. Tabcorp has been actively managing these matters in consultation with AUSTRAC, and continues to work on resolving them as a priority. Tabcorp notes that certain matters referred to by AUSTRAC in its statement of claim were, at the time of occurrence and where appropriate, reported to the relevant gambling regulators and police authorities. Notifications were not made to AUSTRAC in all cases. Tabcorp takes its regulatory compliance obligations extremely seriously. Tabcorp acknowledges the matters raised by AUSTRAC and is committed to ensuring they are resolved. A program of works, underway for some time, has been expanded and accelerated. At this stage it is not practicable to determine the extent of any potential financial impact to the Tabcorp Group.

No other matters or circumstances have arisen since the end of the financial year, which are not otherwise dealt with in this report or in the Financial Report, that have significantly affected or may significantly affect the operations of the Tabcorp Group, the results of those operations or the state of affairs of the Tabcorp Group in subsequent financial years.

Refer also to note 24 to the Financial Report.

12. Auditors

The Tabcorp Group's external auditor is Ernst & Young.

The Tabcorp Group's internal audit function is fully resourced by Tabcorp, with specialist independent external support where necessary.

More information relating to the audit functions can be found in the Tabcorp Group's corporate governance statement.

13. Directors' interests in contracts

Some Directors of the Company, or related entities of the Directors, conduct transactions with entities within the Tabcorp Group that occur within a normal employee, customer or supplier relationship on terms and conditions no more favourable than those with which it is reasonable to expect the entity would have adopted if dealing with the Director or Director-related entity on normal commercial terms and conditions.

14. Environmental regulation and performance

The Tabcorp Group's environmental obligations and waste discharge quotas are regulated under both state and federal laws. The Tabcorp Group has a record of complying with, and in most cases exceeding, its environmental performance obligations.

No environmental breaches have been notified to the Tabcorp Group by any government agency.

15. Directors' interests in Tabcorp securities

At the date of this report, the Directors had the following relevant interests in the securities of the Company, as notified to the ASX in accordance with section 205G(1) of the Corporations Act 2001:

Name	Number of securities		
	Ordinary Shares	Performance Rights	Tabcorp Subordinated Notes
Paula Dwyer	54,166	-	-
David Attenborough	541,084	1,536,773	-
Elmer Funke Kupper	54,166	-	-
Steven Gregg	15,000	-	-
Jane Hemstritch	25,112	-	-
Justin Milne	9,208	-	-
Zygmunt Switkowski	91,949	-	-

16. Board and Committee meeting attendance

During the financial year ended 30 June 2015 the Company held 10 meetings of the Board of Directors.

The attendance of the Directors at meetings of the Board and its Committees during the year in review were:

Name	Board of Directors		Audit, Risk and Compliance Committee		Nomination Committee		Remuneration Committee	
	A	B	A	B	A	B	A	B
Paula Dwyer ⁽ⁱ⁾	10	10	4	4	2	2	4	4
David Attenborough ⁽ⁱⁱ⁾	10	10	4	4	2	2	4	4
Elmer Funke Kupper	10	10	4	4	2	2	-	-
Steven Gregg	10	10	4	4	2	2	4	4
Jane Hemstritch ⁽ⁱⁱⁱ⁾	10	10	4	4	2	2	-	-
Justin Milne	10	10	4	4	2	2	-	-
Zygmunt Switkowski	10	10	4	4	2	2	4	4

A Number of meetings attended.

B Maximum number of possible meetings available for attendance.

(i) Paula Dwyer also attended meetings of the Victorian Joint Venture Management Committee as Chairman of this Committee.

(ii) David Attenborough attends Board Committee meetings, but he is not a member of any Board Committee. Only Non Executive Directors are members of Board Committees.

(iii) Jane Hemstritch also attended meetings of the Due Diligence Committee which oversaw the due diligence process for the Entitlement Offer. She was Chairman of this Committee.

The terms of reference and details of the functions and memberships of the Committees of the Board are set out in the Company's corporate governance statement available on Tabcorp's website.

17. Indemnification and insurance of Directors and Officers

The Directors and Officers of the Tabcorp Group are indemnified against liabilities pursuant to agreements with the Tabcorp Group. Tabcorp has entered into insurance contracts with third party insurance providers, and in accordance with normal commercial practices, under the terms of the insurance contracts, the nature of the liabilities insured against and the amount of premiums paid are confidential.

18. Non-statutory audit and other services

Ernst & Young, the external auditor to the Company and the Tabcorp Group, provided non-statutory audit services to the Company during the financial year ended 30 June 2015. The Directors are satisfied that the provision of non-statutory audit services during this period was compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-statutory audit service provided means that auditor independence was not compromised.

The Company's Board Audit, Risk and Compliance Committee reviews the activities of the independent external auditor and reviews the auditor's performance on an annual basis. The Chairman of the Board Audit, Risk and Compliance Committee must approve all non-statutory audit and other work to be undertaken by the auditor (if any). Further details relating to the Board Audit, Risk and Compliance Committee and the engagement of auditors are available in the Company's corporate governance statement available on the Tabcorp website.

Ernst & Young, acting as the Company's external auditor, received or are due to receive \$375,000 in relation to the provision of non-statutory audit services to the Company.

Amounts paid or payable by the Company for audit and non-statutory audit services are disclosed in note 3 to the Financial Report.

19. Corporate governance

The Directors of the Company support and adhere to the ASX *Corporate Governance Principles and Recommendations, 3rd Edition*, recognising the need for maintaining high standards of corporate behaviour and accountability. The Company's corporate governance statement is available under the corporate governance section of the Company's website at www.tabcorp.com.au/about_governance.aspx.

20. Rounding of amounts

Tabcorp Holdings Limited is a company of the kind specified in Australian Securities and Investments Commission Class Order 98/0100. In accordance with that Class Order, dollar amounts in the financial report and the Directors' report have been rounded to the nearest hundred thousand unless specifically stated to be otherwise.

Directors' report (continued)

21. Auditor's independence declaration

Attached is a copy of the auditor's independence declaration provided under section 307C of the Corporations Act 2001 in relation to the audit for the financial year ended 30 June 2015. This auditor's independence declaration forms part of this Directors' report.

This report has been signed in accordance with a resolution of Directors.



Paula J Dwyer
Chairman

Melbourne
13 August 2015



Remuneration report (audited)

1. Purpose

This Remuneration report outlines the remuneration policy and arrangements for Tabcorp's Directors, executives and senior management in accordance with the requirements of the Corporations Act 2001 and its Regulations. The information provided in this Remuneration report has been audited as required by section 308(3C) of the Corporations Act.

The Remuneration report relates to the key management personnel ('KMP') of the consolidated entity comprising the Company and its controlled entities for the financial year ended 30 June 2015. KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, and comprises all the Directors of Tabcorp and certain members of the Senior Executive Leadership Team. The same group of individuals is regarded as KMP for both the Company and the Group.

2. Remuneration philosophy

The key objective of Tabcorp's remuneration philosophy is to enable Tabcorp to attract, motivate and retain high calibre individuals across the organisation (including Board and senior management levels) through a market-competitive, shareholder-aligned remuneration framework. The Board Remuneration Committee regularly reviews the remuneration philosophy and underlying principles to ensure they remain contemporary and consistent with generally accepted market practice and Tabcorp's business objectives.

Tabcorp's remuneration framework is underpinned by the following key principles which help drive the Company's philosophy:

Creating long term shareholder value	Reward for the creation of sustained long term shareholder value
Driving performance	Appropriately reward for superior Group, business unit and individual performance
Market competitive	Remuneration levels that are market competitive
Driving the right behaviours	A framework that fosters the values and Tabcorp's Ways of Working

The Tabcorp remuneration framework for executives and senior management is thus heavily focused on variable components that reward the individual for superior Group, business unit and individual performance that ultimately leads to shareholder value creation. As such, executive and senior management remuneration comprises three components – a fixed remuneration package, a short term incentive ('STI') and a long term incentive ('LTI').

At least 45 per cent of each KMP's remuneration is 'at risk' and tied to the achievement of specific Group, business unit and individual performance objectives.

3. Governance

The Board Remuneration Committee assists the Board in the oversight of Tabcorp's remuneration strategy and framework. The main responsibilities of the Board Remuneration Committee are:

- Establishing and maintaining fair and reasonable remuneration policies and practices that apply to the Group;
- Reviewing and recommending to the Board the remuneration of KMP and the terms and conditions of any incentive plans; and
- Agreeing benchmarks against which annual salary reviews are evaluated.

In exercising its responsibilities, the Board Remuneration Committee assesses the appropriateness of the nature and amount of remuneration of Directors and executives every year by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality and high performing Board and executive team.

To assist in exercising its responsibilities, the Board Remuneration Committee receives independent advice on matters such as remuneration strategies, mix and structure, as appropriate. During the year ended 30 June 2015 and to the date of this report, no remuneration consultant provided a remuneration recommendation in respect of any KMP.

The Board Remuneration Committee is governed by its Terms of Reference, which are available on Tabcorp's website at www.tabcorp.com.au under the *About Us – Corporate Governance* section.

Details regarding the composition of the Board Remuneration Committee, including biographies of each member are set out in the Directors' report.

4. Summary of the year ended 30 June 2015

Area	Summary	Reference
Reward mix	The Board Remuneration Committee reviewed the remuneration packages of the Senior Executive Leadership Team. With the exception of the Managing Director and Chief Executive Officer, there were no changes to the overall reward mix (i.e. the split between fixed and variable pay) for KMP for the year ended 30 June 2015.	Section 8.2 Figure 4

Remuneration report (audited) (continued)

Area	Summary	Reference
STI structure	From 1 July 2014, Divisional Multipliers were introduced into the STI plan. The purpose of this was to drive clearer executive accountability for the performance of each business unit and ultimately the Group. Divisional Multipliers were also introduced to create a stronger link between reward and performance measures that are within the executive's scope of influence.	Section 8.4.1.4 Figure 5 Figure 6
STI payout	For the year ended 30 June 2015, Short Term Incentive payments were awarded to senior managers (payable in August 2015), following the assessment of Tabcorp's targets for the year and overall performance. On average, 95 per cent of the STI target will be payable to KMP (38 per cent of the maximum) for the year ending 30 June 2015.	Figure 7 Figure 17A
LTI grants	During the year, an allocation of Performance Rights was made to eight members of the Senior Executive Leadership Team. In addition, an allocation of Performance Rights under the LTI was also made to the Managing Director and Chief Executive Officer following shareholder approval at the 2014 Tabcorp Annual General Meeting. Vesting of the allocated Performance Rights for all participants will depend on the Company's relative total shareholder return performance over a three year period. If, at the end of the three year period, the minimum performance hurdle is not met, all Performance Rights will lapse. All the Performance Rights will vest only where the highest performance threshold is met at the end of the three year period.	Figure 17B
LTI vesting	An LTI test date occurred on 23 September 2014 for the 2011 LTI grant. The relative TSR ranking at the test date for this grant placed Tabcorp just over the 69th percentile when compared to the peer group. As a result, 88 per cent of the Performance Rights for this grant vested (12 per cent lapsed).	Figure 14
Chief Operating Officer Wagering and Media remuneration	In February 2015, the domestic media business was integrated into the Wagering business unit. The purpose of this was to create a consolidated business aligned to driving domestic growth in an increasingly competitive market. Following an in-depth remuneration benchmarking exercise, the Board Remuneration Committee approved an increase to the fixed remuneration for the Chief Operating Officer Wagering and Media (equating to 4.2 per cent, effective 1 February 2015) which reflects the increased size and complexity of the expanded business unit.	Figure 16C Figure 16D

Area	Summary	Reference
Managing Director and Chief Executive Officer remuneration	As communicated in the 2014 Remuneration report, to further improve alignment of the Managing Director and Chief Executive Officer's remuneration with comparable roles in the market, an increase in fixed remuneration (from \$950,000 to \$1,100,000) and target short term incentive (from \$640,000 to \$750,000) was provided to him during the year ended 30 June 2015.	Section 8.5.1
Non Executive Director fees	Following a review of the Non Executive Director fees during the year, the base Board fee for the Chairman was increased from \$400,000 to \$410,000 per annum as well as the Non Executive Directors (from \$135,000 to \$140,000 per annum). There were no increases to Board Committee fees for the year.	Section 7.3

5. Proposed changes from 1 July 2015

Area	Summary
LTI structure	<p>The Board Remuneration Committee reviewed the LTI plan during the year ended 30 June 2015. As a result of the review, the Committee approved extending the eligibility of participation in the plan to include those senior managers either identified as successors to the Senior Executive Leadership Team or who are employed in roles that are critical to driving business success. The purpose of extending eligibility is to:</p> <ul style="list-style-type: none"> • Enhance retention of key skills in the senior management team; • Create further alignment between shareholders and the senior management team (through equity based remuneration, vesting of which is dependent on driving shareholder return); and • Align senior management across long term performance goals thereby improving the focus on long term shareholder value creation. <p>This change will be implemented for plan offers made in the financial year commencing 1 July 2015.</p> <p>The Board Remuneration Committee is also currently reviewing the LTI allocation methodology. Tabcorp currently utilises a Fair Market Value allocation methodology and the Committee is reviewing the appropriateness of this methodology for the Company going forward (as compared to a Face Value allocation methodology).</p>

Area	Summary
LTI claw back	Following a review of the LTI plan during the year, the Remuneration Committee also approved the implementation of an LTI claw back policy. The Board may claw back LTI awards if it is considered appropriate having regard to any information that has come to light after the delivery of the LTI award, including but not limited to fraud, misconduct or any material misstatement or omission in Tabcorp's prior financial statements. The Board has the capacity to introduce further terms and conditions that may specify additional circumstances in which a participant's awards may be subject to claw back.
Managing Director and Chief Executive Officer Short Term Incentive	From 1 July 2015, fifty per cent of all Short Term Incentive payments made to the Managing Director and Chief Executive Officer will continue to be subject to deferral. Deferral will be in the form of Restricted Shares and will be subject a two year restriction period.

6. Key management personnel (KMP)

Name	Position held
Paula Dwyer	Chairman and Director (Non Executive)
Elmer Funke Kupper	Director (Non Executive)
Steven Gregg	Director (Non Executive)
Jane Hemstritch	Director (Non Executive)
Justin Milne	Director (Non Executive)
Zygmunt Switkowski	Director (Non Executive)
David Attenborough	Managing Director and Chief Executive Officer
Damien Johnston	Chief Financial Officer
Craig Nugent	Chief Operating Officer Wagering and Media
Adam Rytenskiid	Chief Operating Officer Keno and Gaming
Kerry Willcock	Executive General Manager, Corporate, Legal and Regulatory

There were no changes to KMP or positions during the year.

Details of Director qualifications, experience and other responsibilities are set out on pages 24, 25 and 28 of the Directors' report.

7. Non Executive Director remuneration

7.1 Remuneration framework

The Board Remuneration Committee has responsibility for reviewing and recommending to the Board appropriate remuneration arrangements for Non Executive Directors, taking into consideration factors including:

- The Group's remuneration philosophy;
- The level of fees paid to Board members of other publicly listed Australian companies;
- Operational and regulatory complexity;
- The responsibilities and workload requirements of each Board member; and
- Advice from independent remuneration consultants.

Non Executive Directors' fees are reviewed yearly and the current aggregate annual limit (including superannuation contributions) is set at \$2 million, as approved by shareholders at the Annual General Meeting on 28 November 2005.

Non Executive Directors do not receive any performance or incentive payments and are not eligible to participate in any of Tabcorp's incentive plans. This policy aligns with the principle that Non Executive Directors act independently and impartially.

7.2 Structure

Non Executive Directors' remuneration comprises the following components:

- Board fee;
- Board Committee fees (excluding the Chairman); and
- Superannuation Guarantee Contribution (9.5 per cent of total fees for the year ended 30 June 2015, uncapped).

The Chairman receives a fixed fee which is inclusive of services on all Board Committees.

Some Directors may receive additional remuneration and associated superannuation (where applicable) for:

- Chairmanship of the Victorian Joint Venture Management Committee, receiving a fee equivalent to Chairman of the Board Remuneration Committee – Paula Dwyer was Chairman of this Committee throughout the year;
- Observer fees, equivalent to the applicable Board and Committee fees (for attending Board and Committee meetings and induction whilst awaiting regulatory approval) – no Observer fees were paid during the year; or
- Membership of other Committees, which may be required from time to time – no additional Committee fees were paid during the year.

Remuneration report (audited) (continued)

Board fees are structured by having regard to the responsibilities of each position within the Board. Board Committee fees are structured to recognise the differing responsibilities and workload associated with each Committee, and the additional responsibilities of each Committee Chairman.

Board fees are not paid to the Managing Director and Chief Executive Officer, or to executives for directorships of any subsidiaries.

7.3 Current annual fees

The Board Remuneration Committee reviews Non Executive Director fees annually, having regard to both the remuneration framework and structure described in Sections 7.1 and 7.2 and contemporary market practice, and submits recommendations to the Board for review and approval. A review of Non Executive Director remuneration levels was conducted in the year ended 30 June 2015. To ensure continued competitiveness of Non Executive Director remuneration levels, the following adjustments were made:

- **Chairman's fee** – increased from \$400,000 to \$410,000;
- **Non Executive Director Board fee** – increased from \$135,000 to \$140,000; and
- **Board Committee fees** – remain unchanged.

The annual fees are detailed in Figure 1 for Non Executive Directors and Board Committee memberships.

Figure 1: Non Executive Director and Board Committee fixed annual fees effective from 1 September 2014

Position	Board Committee fees ⁽ⁱ⁾			
	Board fees ⁽ⁱ⁾ \$	Audit, Risk & Compliance \$	Remuneration \$	Nomination \$
Chairman ⁽ⁱⁱ⁾	410,000			
Non Executive Director	140,000			
Committee Chairman		40,000	30,000	7,500
Committee Member		20,000	15,000	7,500

(i) Fees exclude superannuation contributions.

(ii) The Chairman's fee is inclusive of service on all Tabcorp Board Committees.

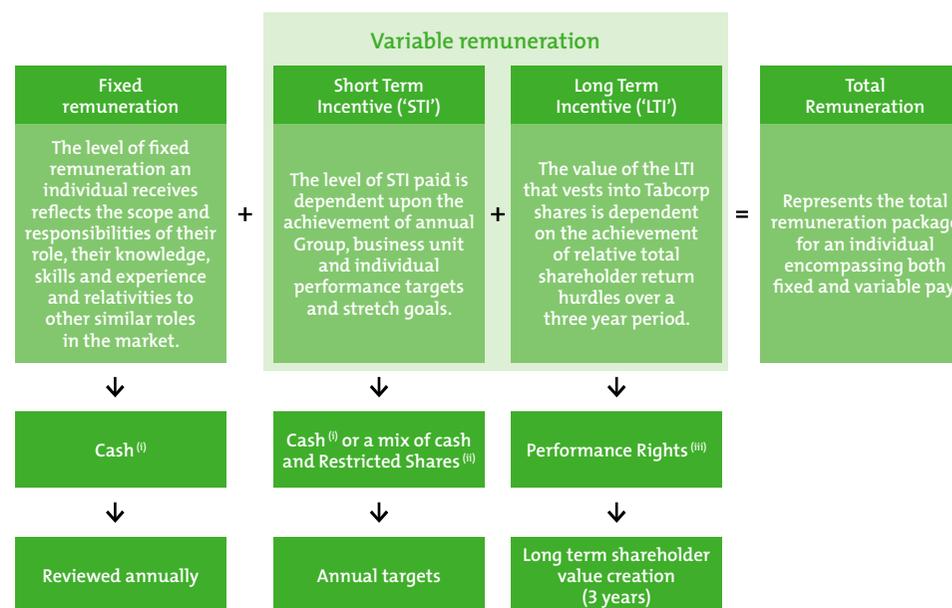
8. Senior management remuneration (including Managing Director and Chief Executive Officer)

The Board Remuneration Committee has responsibility for reviewing the remuneration framework of the Group and recommending to the Board the appropriate remuneration arrangements. The Board Remuneration Committee approves the remuneration and incentives for members of the Senior Executive Leadership Team and makes recommendations to the Board in relation to the Managing Director and Chief Executive Officer.

8.1 Remuneration framework

The remuneration framework for senior management comprises a mix of both fixed and variable remuneration components. Figure 2 depicts the current framework.

Figure 2: Senior management remuneration framework



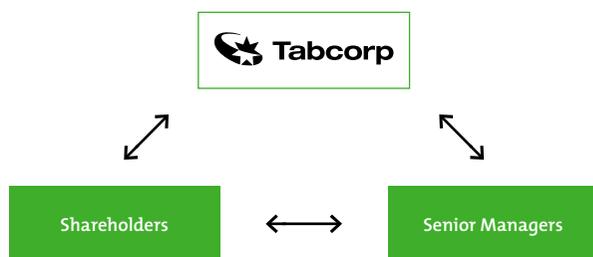
(i) Individuals may voluntarily elect to salary sacrifice cash and STI payments for additional superannuation contributions. Individuals may also elect to package items such as motor vehicle novated leases as part of their fixed remuneration package.

(ii) Deferral of STI into Restricted Shares is mandatory for all members of the Senior Executive Leadership Team (including KMP) and certain other senior management. Restricted Shares are issued under the Tabcorp Employee Deferred Share Plan and vesting is subject to the individual remaining employed with Tabcorp for the duration of the vesting period.

(iii) Performance Rights may vest on the third anniversary after the allocation date, subject to meeting relevant performance based hurdles. The total number of Performance Rights that are allocated to a participant in any given year will only vest if the maximum performance hurdle has been achieved.

The remuneration framework within Tabcorp is structured to align shareholder, Company and senior management interests as depicted in Figure 3.

Figure 3: Aligning Tabcorp, senior management and shareholder interests



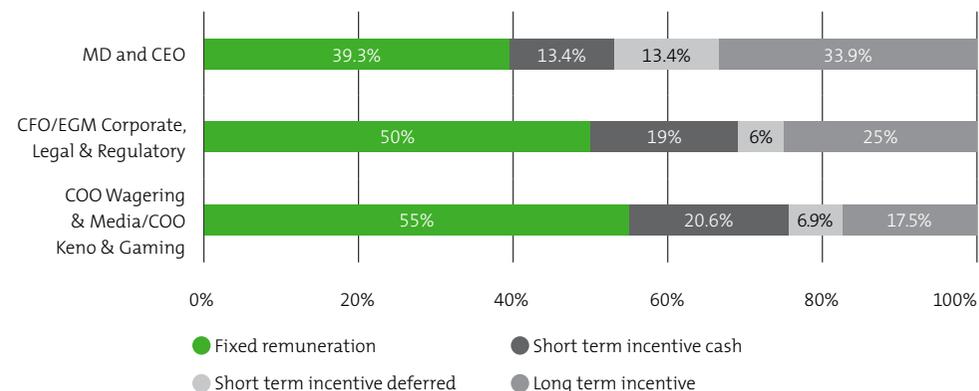
The Tabcorp remuneration framework is structured to align Company, senior management and shareholder interests through:

- The use of financial measures such as net profit after tax before non-recurring items (NPAT) as the primary reward measure for short term performance outcomes;
- Recognising and rewarding for superior Group, business unit and individual performance that aligns to Tabcorp's short and long term strategic plans and contributes to long term shareholder value creation;
- The use of equity in both the short term and long term incentive plans, the value of which can grow as senior management perform;
- Rewarding for long term shareholder value creation through the use of total shareholder return relative to other companies within the LTI;
- The ability to attract, motivate and retain high calibre individuals to deliver on the Company's objectives;
- The fostering of a culture of high performance in a team based environment including rewarding those individuals excelling in displaying the Tabcorp values and Ways of Working;
- Linking reward with performance measures that are within the scope of influence of senior management; and
- Providing upside opportunity for superior Group performance and increased shareholder value.

8.2 Target reward mix

To ensure that Tabcorp's Total Remuneration is competitive, fair and reasonable, extensive market benchmarking is regularly undertaken against a wide range of organisations. The target reward mix (i.e. the split between fixed and target variable pay) aims to position Total Remuneration at the market median where target performance has been achieved. The target reward mix for the KMP (including the Managing Director and Chief Executive Officer) is outlined in Figure 4.

Figure 4: KMP target reward mix for the year ended 30 June 2015



8.3 Fixed remuneration

Senior managers receive a fixed remuneration package comprising cash salary, statutory superannuation contributions and other benefits they may elect to receive on a salary sacrifice basis (i.e. additional superannuation contributions and motor vehicle novated leases).

An individual's fixed remuneration is set taking into consideration a range of factors. These factors are also considered annually as part of the annual remuneration review process. These include:

- The scope and responsibilities of their role;
- Their knowledge, skills and experience;
- Their performance (as assessed through the Group's performance management process);
- Market data for similar roles in comparable companies;
- Rarity and market demand for their skill set; and
- Relativity of remuneration to other similar roles internally.

The Board Remuneration Committee approves the fixed remuneration for the Senior Executive Leadership Team and makes recommendations to the Board in relation to the Managing Director and Chief Executive Officer.

During the year ended 30 June 2015, the fixed remuneration packages of executive KMP, excluding the Managing Director and Chief Executive Officer (refer to section 8.5.1.1), increased by 3.1 per cent on average.

Remuneration report (audited) (continued)

8.4 Variable (at risk) remuneration

8.4.1 Short term incentive (STI)

8.4.1.1 Overview

The STI is designed to reward employees for the achievement of Group, business unit and individual performance goals over the relevant 12 month performance period, which are aligned to and supportive of the Group's annual objectives for each financial year.

8.4.1.2 Eligibility

The Senior Executive Leadership Team (including KMP), senior managers and mid-level managers are eligible to participate in the STI plan.

8.4.1.3 The STI pool (Group Funding Multiplier)

During each financial year, the Board Remuneration Committee reviews Tabcorp's performance against Net Profit After Tax (NPAT) targets. At the end of the financial year, the Board determines, in its own discretion, the Group Funding Multiplier with reference to NPAT. The Group Funding Multiplier sets the overall STI pool which is then distributed to participants in the STI plan, depending on individual performance:

- If the Group's NPAT target (aligned to the Tabcorp strategic corporate plan) is achieved for the year, 100 per cent of the STI pool will generally be funded (i.e. a Group Funding Multiplier of 1). To achieve the strategic corporate plan NPAT target, a level of stretch performance is required;
- If the Group's NPAT performance for the year is below target, a smaller STI pool may be funded (at the Board's discretion) or the Board may elect to have no STI pool (i.e. a Group Funding Multiplier range of 0 to <1), in which case no STI payments would be made; and
- If the Group's NPAT performance for the year is above target, a larger STI pool may be funded, capped at 125 per cent of the target pool (i.e. a Group Funding Multiplier of >1 but <=1.25).

The Board considers NPAT to be an appropriate performance measure to determine the STI pool as:

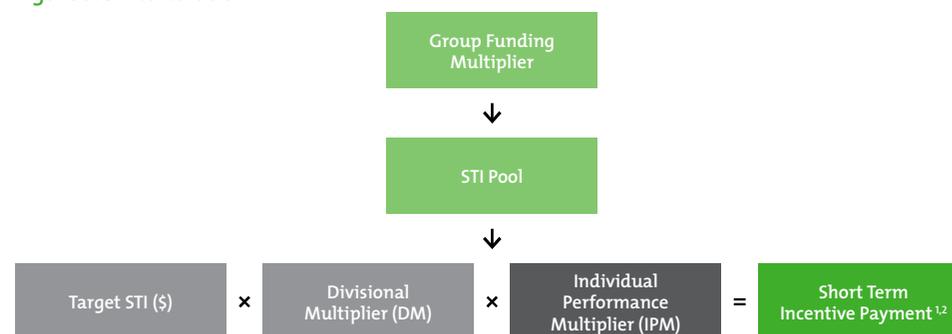
- It aligns to the Group's remuneration philosophy of creating shareholder value;
- It is directly linked to driving business results; and
- It is within senior management's scope of influence.

For the purposes of the STI pool calculation, NPAT is adjusted for non-recurring items.

8.4.1.4 The STI calculation

An individual's short term incentive is calculated by taking three key factors into account. These are depicted in Figure 5 below:

Figure 5: STI calculation



1. For the Senior Executive Leadership Team (including the KMP, but excluding the Managing Director and Chief Executive Officer), the Short Term Incentive payment comprises cash (75 per cent) and Restricted Shares (25 per cent), which are restricted for a two year period. For the Managing Director and Chief Executive Officer, the Short Term Incentive payment comprises cash (50 per cent) and Restricted Shares (50 per cent), which are restricted for a two year period.
2. The sum of the Short Term Incentive payments cannot exceed the STI pool which is capped at 125 per cent of the target pool and is dependent on NPAT performance.

The Divisional and Individual Performance Multipliers are modelled to ensure that STI spend does not exceed the allocated STI pool.

Figure 6 describes each component of the calculation.

Figure 6: Components of the STI calculation

Component	Definition	How is it calculated?
Group Funding Multiplier	The Group Funding Multiplier is calculated with reference to Tabcorp's NPAT performance. The Group Funding Multiplier sets the size of the STI pool that is distributed to STI participants. The Divisional Multipliers and Individual Performance Multipliers are set with reference to the Group Funding Multiplier to ensure that overall STI spend is aligned to the STI pool.	See section 8.4.1.3
Target STI (\$)	Each participant in the STI plan is eligible to receive an on-target STI payment upon the achievement of target Group, business unit and individual performance.	The Target STI is calculated as a percentage of an individual's Total Remuneration (see Figure 4) and is determined with reference to market benchmarks and nature of the role.
Divisional Multiplier (DM)	The Divisional Multiplier aims to reward STI participants for delivering superior business unit performance and to recognise each business unit's contribution to the overall Group results. The Divisional Multiplier applicable to an individual is dependent on the role they perform. There are three Divisional Multipliers as follows: <ul style="list-style-type: none"> • Wagering and Media • Keno and Gaming • Corporate 	The Divisional Multiplier is based on the contribution to NPAT of each business unit. The Divisional Multiplier may thus be higher or lower than the Group Funding Multiplier, depending on the respective business unit's performance. The Divisional Multiplier for Group or Corporate functions will generally be the same as the Group Funding Multiplier. The Divisional Multipliers are modelled to ensure that STI payout does not exceed the overall STI pool.

Component	Definition	How is it calculated?
Individual Performance Multiplier (IPM)	Individual performance is assessed using a balanced scorecard of individual measures that align to and are reflective of the Group's annual objectives (see Figure 7). In addition to the Balanced Scorecard measures, key strategic priorities are also set and assessed annually. Specific Group financial and non-financial strategic key performance objectives, which are aligned to creating superior shareholder returns, are determined and approved by the Board for the Managing Director and Chief Executive Officer at the start of each financial year and then cascaded across the organisation.	At the end of the financial year, each participant undergoes a performance review in line with Tabcorp's performance management process. Objectives are assessed and an overall performance rating is assigned (taking into consideration performance against objectives as well as behaviours (Ways of Working)). The performance rating translates into an Individual Performance Multiplier which scales up or down depending on the overall performance rating and can range from zero (for below expectations performance) up to two (for exceptional performance). The Individual Performance Multipliers are also set with reference to the overall STI pool to ensure that STI payout does not exceed the determined pool. As such, the range for Individual Performance Multipliers may change from year to year but will never exceed a value of two for exceptional performance.

Further details of specific key performance targets for the Senior Executive Leadership Team during the financial year are provided in section 8.4.1.8 and Figure 7.

To be eligible to receive an STI payment, participants need to demonstrate required levels of behaviours in line with Group values (Ways of Working) and must not have any significant controllable compliance breaches.

Remuneration report (audited) (continued)

8.4.1.5 Delivery

The STI is delivered in cash, or a mix of cash and Restricted Shares. It is mandatory for all KMP and participants at a senior management level to defer 25 per cent of their total STI into Restricted Shares (50 per cent for the Managing Director and Chief Executive Officer). Senior management, for the purposes of STI deferral, is defined as all members of the Senior Executive Leadership Team and any senior manager where the STI component of their Total Remuneration is 30 per cent or greater at target. Restricted Shares are subject to a two year service condition during which time the Restricted Shares may not be traded, however participants have full entitlement to dividends and voting rights. These shares will be forfeited if the individual leaves the Group (subject to Board discretion).

The objectives of the deferral element of STI include:

- Building share ownership in Tabcorp which further aligns the interests of senior managers with shareholders;
- Reducing long term risk; and
- Assisting with the retention of key senior managers which provides increased continuity for the business.

8.4.1.6 Claw back

Restricted Shares are subject to claw back if the Board considers this to be appropriate having regard to any information which has come to light after the delivery of the Restricted Shares to participants, including but not limited to misconduct or any material misstatement or omission in Tabcorp's prior financial statements.

The Board has the capacity to introduce further terms and conditions that may specify additional circumstances in which a participant's Restricted Shares may be subject to claw back.

8.4.1.7 Accounting treatment

The financial impact of the STI (excluding any Restricted Shares) is expensed in the relevant financial year and is reflected in the remuneration disclosures for executive KMP. Restricted Shares are expensed on a straight line basis over the vesting period.

8.4.1.8 STI performance

For the year ended 30 June 2015, short term incentive measures and targets were derived from the Board approved strategic corporate plan which comprised financial and non-financial objectives. These objectives were subsequently included in the balanced scorecards for the Senior Executive Leadership Team. A list of these measures is included in Figure 7 including a summary of key achievements during the year.

Figure 7: STI measures and summary of FY15 achievements

Objective	Measures	Achievements for the year
Financial	Revenue	<ul style="list-style-type: none"> • Net Profit After Tax (NPAT) from continuing operations before significant items \$171.3 million, up 14.7%
	Profit (e.g. NPAT)	<ul style="list-style-type: none"> • Group revenues of \$2,155.5 million, up 5.7%
	Balance sheet	<ul style="list-style-type: none"> • Strong balance sheet, with Gross debt⁽ⁱ⁾/EBITDA ratio of 2.1x
	Return (e.g. ROIC)	<ul style="list-style-type: none"> • Dividends totalled 20 cents per share, fully franked representing a payout ratio of 93% of NPAT (from continuing operations before significant items) • Special dividend of 30 cents per share • ROIC target exceeded due to the strong operational earnings performance and the business is well positioned to achieve 14% ROIC following the integration of ACTTAB
Customers and Growth	Customer activity and loyalty	<ul style="list-style-type: none"> • Appointed new Chief Marketing Officer and up-weighted data and insights capability
	Delivery of new products and digital initiatives	<ul style="list-style-type: none"> • Continued investment in digital channels, including seamless launch of new TAB website • Progressed digital integration into TAB's exclusive retail channels • Keno brand transformation commenced to rejuvenate the customer experience • Growth in loyalty program members: TAB Rewards (total members now more than 300,000)
People and Leadership	Employee engagement	<ul style="list-style-type: none"> • Overall employee engagement score of 3.89 out of 5. This is up 0.08 on the previous year
	Gender diversity	<ul style="list-style-type: none"> • Focus on workplace diversity, with 33% female representation in senior leader roles
	Health & Safety	<ul style="list-style-type: none"> • Improved lost time injury frequency rate of 1.0 per million hours worked
Organisation	Regulatory and licence compliance	<ul style="list-style-type: none"> • Once again ranked the global gambling industry leader in the annual Dow Jones Sustainability Index
	Stakeholder engagement	<ul style="list-style-type: none"> • Financial benefits to stakeholders: taxes on gambling \$459.6 million, returns to the racing industry \$773.2 million
	Operational effectiveness	<ul style="list-style-type: none"> • Core systems performance consistently at or above target levels, especially strong through the Spring Carnival and Championship period

Objective	Measures	Achievements for the year
Strategic	Business expansion opportunities	<ul style="list-style-type: none"> • ACTTAB acquisition completed and integration on track
	Media Rights	<ul style="list-style-type: none"> • Long term agreement reached for NSW thoroughbred media rights • Victorian Thoroughbred Media Rights negotiation concluded

(i) Gross debt includes USPP debt at the A\$ principal repayable under cross currency swaps.

Key issues that were work in progress as at 30 June 2015 included Queensland Keno jackpot pooling, the Victorian licence compensation claim, the integration of ACTTAB and resolution of matters referred to in the AUSTRAC statement of claim, as advised in Tabcorp's ASX release of 24 July 2015.

For the year ended 30 June 2015, the Board awarded short term incentives to senior management that reflected the assessed performance of the Group. The Board determined that the maximum Group Funding Multiplier (i.e. 125 per cent) should be applied for the year. See Figure 17A for more detail.

8.4.2 Long term incentive (LTI)

8.4.2.1 Overview

The Tabcorp LTI is designed to reward senior management for contributing to the creation of long term shareholder value and to retain key critical talent within the organisation. Figure 8 provides a summary of the LTI plan.

Figure 8: Summary of the Tabcorp LTI plan

Who is eligible to participate in the LTI plan?	For the year ended 30 June 2015, the Senior Executive Leadership Team was eligible to participate in the LTI plan. From 1 July 2015, in addition to the Senior Executive Leadership Team, a select group of senior managers will be eligible to participate. The Tabcorp Board elected to broaden participation to further align senior management and shareholder interests through equity-based remuneration and to strengthen the link between reward and shareholder value creation.
How is LTI delivered?	Senior management that participate in the LTI plan are allocated a maximum number of Performance Rights at the beginning of the performance period. Performance Rights provide senior management with the right to receive Tabcorp shares subject to meeting market based performance conditions, at no cost to the participant. Performance Rights do not attract dividends and do not provide voting rights. The Board considers Performance Rights to be an effective instrument for delivering long term reward to senior management.
How long is the performance period?	The vesting of Performance Rights issued under the LTI is dependent on meeting the minimum performance hurdle at the third anniversary of the date of the allocation (i.e. a three year performance period).
Are Performance Rights forfeitable?	All unvested Performance Rights will lapse immediately upon cessation of employment. However, the Board Remuneration Committee has discretion in special circumstances to determine the number of Performance Rights retained and the terms applicable. Special circumstances include events such as retirement, redundancy, death and permanent disability. Performance Rights will also lapse if performance conditions are not met.
What is the performance measure?	The performance measure for Performance Rights issued under the LTI is relative total shareholder return (relative TSR). Relative TSR measures the return received by shareholders (capital returns, dividends and share price movement) over a specific period relative to a peer group of companies. Tabcorp engages an external consultant to calculate TSR relative to a peer group of companies. The Board considers relative TSR to be an appropriate performance measure as it reflects the Group's remuneration philosophy of creating shareholder value relative to a peer group, over the long term.

Remuneration report (audited) (continued)

Which companies are included in the peer group?	<p>The peer group used for assessing Tabcorp's relative TSR performance is the S&P/ASX 100 index excluding property trusts, infrastructure groups and mining companies (represented by the S&P Global Industry Classification Standards (GICS) of Metals & Mining, Oil and Gas, Transportation, Infrastructure, Utilities and Real Estate Investment Trusts).</p> <p>This peer group was selected as it contains organisations of comparable size to that of Tabcorp as well as organisations that exhibit similar operational structures in comparable industries. Finally, the peer group was also chosen as the constituent companies represent competitors for similar executive talent.</p> <p>The composition of the peer group may change as a result of specific external events, such as mergers and acquisitions, capital returns, delistings and capital reconstruction. The Board Remuneration Committee has agreed guidelines for adjusting the peer group following such events, and has the discretion to determine any adjustment to the peer group of companies.</p>
---	---

What are the relative TSR performance hurdles? The number of Performance Rights that will vest at the end of the performance period is dependent on Tabcorp's relative TSR ranking as at the applicable test date as follows:

Tabcorp's relative TSR ranking	Percentage of Performance Rights that will vest
Below 50th percentile	0%
At 50th percentile	50%
Above 50th percentile and below 75th percentile	Pro rata between 50% (at 50th percentile) and 100% (at 75th percentile)
At or above the 75th percentile	100%

What are the relative TSR performance hurdles? (continued) This testing schedule and vesting criteria are common practice adopted by companies in the S&P/ASX100 index, which is consistent with Tabcorp's remuneration philosophy (refer to Section 2) and senior management remuneration framework (refer to Section 7.1).

For Performance Rights that have vested, the Company will issue or transfer ordinary shares to the senior manager, with full voting and dividend rights corresponding to the rights of all other holders of ordinary shares.

Performance Rights that have not vested after testing will lapse (there is no retesting).

Accounting treatment Performance Rights issued under the LTI are expensed on a straight line basis over a three year period, commencing from the grant date. Under Accounting Standards, Tabcorp is required to recognise an expense irrespective of whether the Performance Right ultimately vests to the senior manager. A reversal of the expense is only recognised in the event the Performance Rights lapse due to cessation of employment within the three year period.

The 'Remuneration of KMP' tables in Section 9.1 (Figures 16C & 16D) reflect the accounting expense recognised in the relevant financial year, not the total fair value of Performance Rights allocated to the executive during the year, which is disclosed in Figure 17D. The actual value of vested Performance Rights received by KMP for the year is disclosed in Figure 16E.

8.4.2.2 Allocation

The Performance Rights granted under the LTI are generally allocated annually. The number of Performance Rights allocated is calculated as outlined in Figure 9.

Figure 9: Allocation calculation

$$\text{Target LTI (\$)} \div \text{Fair value of Performance Right} = \text{Number of Performance Rights allocated}$$

Component	Definition	How is it calculated?
Target LTI (\$)	The Target LTI (\$) amount is based on a percentage of the individual's Total Remuneration and is benchmarked to ensure that it is competitive and appropriate within the market.	The Target LTI (\$) is based on a percentage of the individual's Total Remuneration (refer to Figure 4).
Fair value of Performance Right	The fair market value of a Performance Right reflects the realistic value a participant is likely to receive taking into consideration the Tabcorp share price, volatility of the share price, the historical dividend yield, the performance period and the difficulty in achieving the performance conditions.	The fair market value of a Performance Right is independently calculated by an external consultant. The methodology used is called the Monte Carlo simulation-based model and takes into consideration factors such as the Tabcorp share price, the volatility of the share price, the historical dividend yield, the performance period, the risk-free rate of return and the difficulty in achieving the performance conditions. The Monte Carlo model is a standard valuation methodology used within the market and adheres to the Australian Accounting Standards (AASB2 'Share Based Payments').
Number of Performance Rights allocated	The number of Performance Rights allocated to participants reflects the maximum number that could vest at the end of the performance period for the achievement of the highest relative TSR performance hurdle.	The number of Performance Rights allocated is calculated by taking the Target LTI (\$) value and dividing it by the fair market value of a Performance Right.

8.4.2.3 Vesting

The number of Performance Rights that are allocated to a participant under the LTI represents the maximum number. This means that, in order for all of the Performance Rights to vest, the highest performance hurdle must be achieved (i.e. achieving a 75th percentile relative TSR ranking).

If the minimum performance hurdle is achieved (i.e. achieving a 50th percentile relative TSR ranking) half the Performance Rights will vest and the other half of the Performance Rights will lapse.

8.4.2.4 LTI performance

In the 2015 financial year, there was one test date on 23 September 2014 for the 2011 allocation under the LTI. The relative TSR percentile ranking of this allocation at the test date was a little over the 69th percentile, and accordingly 88 per cent of the Performance Rights vested and 12 per cent of the Performance Rights lapsed. Figure 17C discloses the number of executive KMP Performance Rights vesting during the year.

8.4.3 Appointment/retention incentives

8.4.3.1 Criteria for issue

Restricted Shares may be issued to senior managers as an incentive upon appointment (either on joining Tabcorp or transfer to a new position internally) or for retention. These are ordinary shares in the Company, and in order to act as a retention mechanism are subject to time based restrictions of up to three years.

Additionally, senior managers may also be issued Performance Rights upon appointment. These instruments are issued under the LTI and are subject to the same performance hurdles and vesting conditions (refer Section 8.4.2).

No appointment or retention incentives were provided to executive KMP during the year ended 30 June 2015.

8.4.3.2 Accounting treatment

The fair value of Restricted Shares is expensed as remuneration over the relevant vesting period. At the date disposal restrictions and forfeiture provisions are waived, the fair value of the Restricted Shares is fully expensed.

As Performance Rights are issued under the LTI, they are expensed in the same manner as described in Section 8.4.2.1.

Remuneration report (audited) (continued)

8.4.4 Policy prohibiting hedging

Participants in the incentive plans (STI and LTI) are restricted from hedging the value of Restricted Shares and unvested Performance Rights, and must not enter into a derivative arrangement in respect of the equity instruments granted under these plans. Breaches of the restriction will result in equity instruments being forfeited.

These prohibitions are included in Tabcorp's Securities Trading Policy, available from the Corporate Governance section of Tabcorp's website at www.tabcorp.com.au, and in the terms and conditions of the incentive plans.

Equity instruments granted under the incentive plans can only be registered in the name of the participant, are identified as non tradable on the share register, and cannot be traded or transferred to another party until vested or until any trading restriction period has expired (where applicable).

The Board at its discretion can request a senior manager to provide a statutory declaration that the senior manager has complied with this policy. During the year, the Board did not require any such declarations.

8.5 Managing Director and Chief Executive Officer current remuneration arrangements

8.5.1 Current remuneration

David Attenborough is Managing Director and Chief Executive Officer. In accordance with his employment contract, Mr Attenborough receives fixed remuneration and the opportunity to receive variable remuneration through short term and long term incentive arrangements. As communicated in the 2014 Remuneration report, changes implemented in the current financial year in relation to Mr Attenborough's remuneration have resulted in an increase in both fixed remuneration and the short term performance award, with the long term incentive award remaining unchanged. This overall increase in remuneration recognises Mr Attenborough's success in leading the transformation of Tabcorp to drive sustained performance, and improves alignment with comparable roles in the market. Previously, Mr Attenborough received cash reimbursements of up to \$3,500 per week for living away from home expenses (e.g. accommodation) and four return business class airfare tickets between Australia and South Africa per annum. These two benefits ceased in the prior financial year (on 9 April 2014).

8.5.1.1 Fixed remuneration

Mr Attenborough's fixed remuneration (inclusive of statutory superannuation contributions) increased to \$1,100,000 per annum from 1 September 2014 (previously \$950,000).

8.5.1.2 Short term incentive

For the year ended 30 June 2015, Mr Attenborough was eligible to receive a short term performance award based on his individual performance and the Group's performance over the annual performance review period. Mr Attenborough's annual short term performance award was equivalent to \$750,000 at target and is delivered in cash and Restricted Shares as outlined in section 8.4.1.5, with the opportunity for Mr Attenborough to voluntarily sacrifice part of the cash component into additional superannuation contributions.

For the year ended 30 June 2015, Mr Attenborough was awarded an STI payment of \$850,000 which equated to 113 per cent of his target incentive (45 per cent of his maximum incentive). The Board deemed this to be appropriate given Tabcorp's performance levels over the year (see Figure 7).

50 per cent of this STI payment is subject to deferral into Restricted Shares (restricted for 2 years).

8.5.1.3 Long term incentive

The Company intends that the long term incentive component of Mr Attenborough's remuneration package will involve annual grants of Performance Rights, which would be subject to a performance hurdle, with the grant of such Performance Rights being subject to obtaining any necessary shareholder approvals at the relevant time. For the year ended 30 June 2015, Mr Attenborough's long term incentive award was equivalent to \$950,000 at target, unchanged from the prior year. The structure and operation of this long term incentive is the same as that which applies to the LTI offers to other senior managers in Section 8.4.2, other than as set out in this section. Since being appointed as Managing Director and Chief Executive Officer, Mr Attenborough has received four grants of Performance Rights under the Tabcorp Long Term Performance Plan, which were approved by shareholders at the Company's previous Annual General Meetings. The details of the current allocations (i.e. allocations still on foot) follow:

Effective date	Number	Test date	Expiry date
20 September 2012	427,586	20 September 2015	20 September 2015
18 September 2013	590,062	18 September 2016	18 September 2016
16 September 2014	519,125	16 September 2017	16 September 2017

Upon termination of employment, all unvested Performance Rights will lapse immediately. However, in situations where termination is as a result of an event beyond the control of the incumbent (e.g. death, permanent disablement or other Board determined appropriate reason) a pro rata number of Performance Rights may vest into shares. The exact number of Performance Rights that will vest will be determined by the duration of the performance period that has already elapsed and relative TSR performance outcomes as at the appropriate test date.

Partial lapse of unvested Performance Rights may occur in circumstances where Mr Attenborough takes parental leave or extended unpaid leave. In the event of a takeover offer for the Company or any other transaction resulting in a change of control of the Company, the Board is required to determine, in its absolute discretion, the appropriate treatment regarding any unvested Performance Rights.

Further information relating to these Performance Rights is available in the notice of meeting for the Company's 2012, 2013 and 2014 Annual General Meetings.

8.5.1.4 Changes for the 2016 financial year

Mr Attenborough's fixed remuneration will remain unchanged for the 2016 financial year.

Mr Attenborough's target Short Term Incentive opportunity will increase to \$1,100,000 (from \$750,000) for the 2016 financial year. Fifty per cent of any applicable Short Term Incentive payments made to Mr Attenborough will be subject to deferral in Restricted Shares for a two year period.

Mr Attenborough's Long Term Incentive target opportunity will increase to \$1,100,000 (from \$950,000), and will be subject to the same terms and conditions as the Long Term Incentive detailed in Figure 8.

As a result of the above changes, Mr Attenborough will have a greater proportion of his remuneration package as performance-based variable pay.

8.6 Executive contracts – KMP (including the Managing Director and Chief Executive Officer)

The table below contains details of the contracts of the current executive KMP. The current contracts do not provide for any termination payments, other than payment in lieu of notice.

Name	Position	Contract duration	Minimum notice period (months)	
			Executive	Tabcorp
David Attenborough	Managing Director and Chief Executive Officer	Open ended	12	12
Damien Johnston	Chief Financial Officer	Open ended	6	9
Craig Nugent	Chief Operating Officer Wagering and Media	Open ended	6	9
Adam Rytenski	Chief Operating Officer Keno and Gaming	Open ended	6	9
Kerry Willcock	Executive General Manager Corporate, Legal and Regulatory	Open ended	6	12

8.7 Performance of Tabcorp and shareholder wealth

Tabcorp's annual financial performance and indicators of shareholder wealth over the five year period ended 30 June 2015 are highlighted in the graphs below. For periods up to and including the year ended 30 June 2011, the financial performance included Echo Entertainment Group, as indicated by the grey bars. The financial performance of Tabcorp post the demerger of Echo Entertainment Group is indicated by the green bars.

Figure 10: Net profit after tax

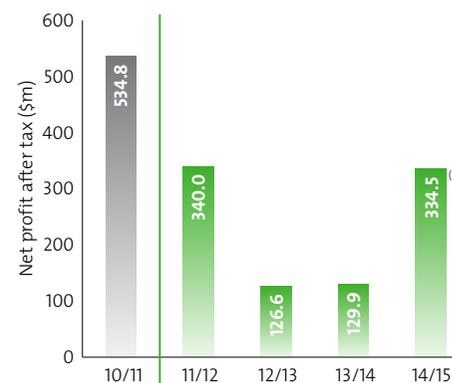


Figure 11: EPS (basic)

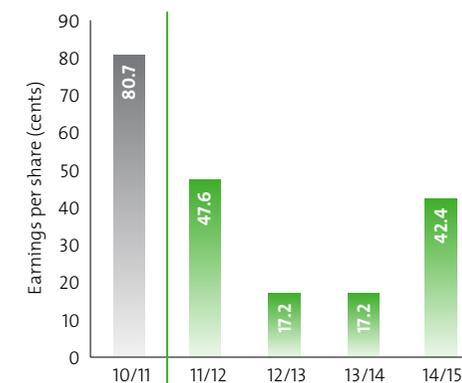


Figure 12: Full year dividend in respect of each financial year (includes interim, final and special dividends)

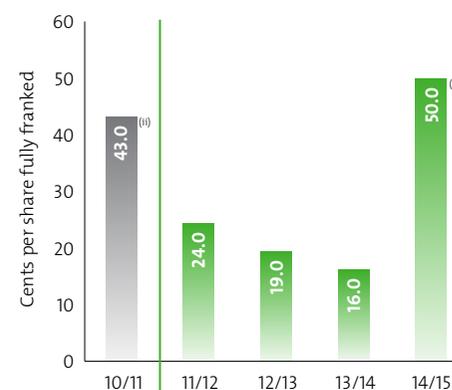
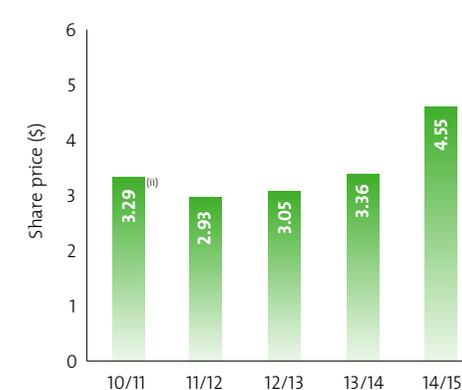


Figure 13: Company share price at the end of each financial year



- (i) Includes \$163.2 million as a result of receiving income tax benefits relating to the Victorian wagering and gaming licences payment and the NSW Tracks side payment and associated interest income.
- (ii) Whilst the closing share price is after the demerger of Echo Entertainment Group, it is before the declaration of the final dividend which was based on Group earnings pre-demerger inclusive of Echo Entertainment Group.
- (iii) Dividends include a special dividend of 30 cents per share declared in February 2015.

Remuneration report (audited) (continued)

Figure 14 shows Tabcorp's relative TSR ranking at test dates.

Figure 14: Relative TSR ranking

Grant year	Grant date	Allocation to	Test date	TSR result at test date	% of Performance Rights	
					Vested	Lapsed
2011	23 Sep 2011	Senior management	23 Sep 2014	69.2 percentile	88%	12%
	26 Oct 2011	MD and CEO				

Figure 15 shows Tabcorp's currently existing LTI allocations, together with future test dates.

Figure 15: Current LTI allocations

Grant year	Grant date	Allocation to	Test and expiry date
2012	4 Oct 2012	Senior management	20 Sep 2015
	31 Oct 2012	MD and CEO	
2013	2 Oct 2013	Senior management	18 Sep 2016
	31 Oct 2013	MD and CEO	
2014	28 Oct 2014	MD and CEO, senior management	16 Sep 2017

9. Remuneration tables

9.1 Remuneration of KMP

Figure 16A: KMP remuneration for the year ended 30 June 2015 – Non Executive Directors

KMP	Short term	Post employment	Total
	Salary & fees	Superannuation	
	\$	\$	\$
Paula Dwyer ⁽ⁱ⁾	408,333	38,792	447,125
Elmer Funke Kupper	166,667	15,833	182,500
Steven Gregg	181,667	17,258	198,925
Jane Hemstritch	186,667	17,733	204,400
Justin Milne	166,667	15,833	182,500
Zygmunt Switkowski	196,667	18,683	215,350
Total	1,306,668	124,132	1,430,800

(i) In addition Ms Dwyer received a fee of \$30,000 (excluding superannuation at 9.5%) for undertaking the role of Chairman of the Victorian Joint Venture Management Committee throughout the year.

Figure 16B: KMP remuneration for the year ended 30 June 2014 – Non Executive Directors

KMP	Short term	Post employment	Total
	Salary & fees	Superannuation	
	\$	\$	\$
Paula Dwyer ⁽ⁱⁱ⁾	400,000	37,000	437,000
Elmer Funke Kupper	160,833	14,877	175,710
Steven Gregg	175,000	16,187	191,187
Jane Hemstritch	180,833	16,727	197,560
Justin Milne	160,833	14,877	175,710
Zygmunt Switkowski	190,000	17,575	207,575
Total	1,267,499	117,243	1,384,742

(ii) In addition Ms Dwyer received a fee of \$29,167 (excluding superannuation at 9.25%) for undertaking the role of Chairman of the Victorian Joint Venture Management Committee throughout the year.

Figure 16C: KMP remuneration for the year ended 30 June 2015 – Executives

KMP	Short term		Non-monetary benefits ⁽ⁱⁱⁱ⁾	Long term Accrued leave benefits	Post employment Superannuation	Total excluding charge for share based allocations	Charge for share based allocations ^(iv)		Total	Performance related ^(v)
	Salary & fees ⁽ⁱ⁾	Cash bonus ⁽ⁱⁱ⁾					Restricted Shares	Performance Rights		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%
Executive Director										
David Attenborough	1,056,300	425,000	1,145	44,337	18,783	1,545,565	214,837	968,936	2,729,338	59%
Executives										
Damien Johnston	630,158	275,000	–	13,554	18,783	937,495	67,869	335,281	1,340,645	51%
Craig Nugent	637,488	271,338	1,380	16,984	18,783	945,973	63,141	191,514	1,200,628	44%
Adam Rytenskild	506,717	157,650	–	(16,602)	18,783	666,548	47,601	163,374	877,523	42%
Kerry Willcock	552,008	134,379	–	34,562	18,783	739,732	48,093	293,958	1,081,783	44%
Total	3,382,671	1,263,367	2,525	92,835	93,915	4,835,313	441,541	1,953,063	7,229,917	

(i) Comprises salary and salary sacrificed benefits (including superannuation and motor vehicle novated leases where applicable).

(ii) Cash bonus reflects 75% (50% for the MD & CEO) of the STI achieved in the year. The remaining 25% (50% for the MD & CEO) of the STI is deferred into Restricted Shares, and is reflected in remuneration during the vesting period.

(iii) Comprises the cost to the Company for providing car parking, where applicable.

(iv) Represents the fair value of share based payments expensed by the Company. Value only accrues to the KMP when conditions have been met.

(v) Represents the sum of cash bonus, Restricted Shares and Performance Rights as a percentage of total remuneration, excluding termination payments.

Remuneration report (audited) (continued)

Figure 16D: KMP remuneration for the year ended 30 June 2014 – Executives

KMP	Short term		Non-monetary benefits ⁽ⁱⁱⁱ⁾	Long term Accrued leave benefits	Post employment Superannuation	Total excluding charge for share based allocations	Charge for share based allocations ^(iv) Performance Rights	Total	Performance related ^(v)
	Salary & fees ⁽ⁱ⁾	Cash bonus ⁽ⁱⁱ⁾							
	\$	\$	\$	\$	\$	\$	\$	\$	%
Executive Director									
David Attenborough	928,974	506,250	306,967	(5,837)	17,775	1,754,129	758,858	2,512,987	50%
Executives									
Damien Johnston	614,057	249,638	–	(3,009)	17,775	878,461	282,932	1,161,393	46%
Craig Nugent ^(vi)	157,766	64,565	459	36,058	4,580	263,428	41,949	305,377	35%
Adam Rytenskild ^(vi)	130,708	53,804	–	12,959	4,580	202,051	34,799	236,850	37%
Kerry Willcock	513,429	219,713	–	18,605	17,775	769,522	247,533	1,017,055	46%
Total	2,344,934	1,093,970	307,426	58,776	62,485	3,867,591	1,366,071	5,233,662	

(i) Comprises salary and salary sacrificed benefits (including superannuation and motor vehicle novated leases).

(ii) Cash bonus reflects 75% of the STI achieved in the year. The remaining 25% of the STI is deferred into Restricted Shares, and is reflected in remuneration during the vesting period.

(iii) Comprises the cost to the Company for providing relocation expenses, living away from home benefits, accommodation, car parking, and airfares, where applicable.

(iv) Represents the fair value of share based payments expensed by the Company. Value only accrues to the KMP when conditions have been met.

(v) Represents the sum of cash bonus and Performance Rights as a percentage of total remuneration, excluding termination payments.

(vi) Commenced as a KMP on 28 March 2014. Remuneration reflects period as a KMP. Salary & fees and long service leave reflect increase in annual leave and long service leave accruals due to new salary levels.

The amounts that appear under the heading ‘charge for share based allocations’ are the amounts required under the Accounting Standards to be expensed by the Company in respect of the allocation of short term incentives (the Restricted Shares portion) and long term incentives to KMP. The Restricted Shares portion of the short term incentive are expensed by the Company over the vesting period. Each year, the Board may decide to allocate long term incentives to executives. Currently, these long term incentives are allocated in the form of Performance Rights, which are expensed by the Company over the three year vesting period. Figures 16C and 16D represent the expenses incurred during the year in respect of current and past incentive allocations. These amounts are therefore not amounts actually received by executives during the year. Whether executives receive any value from the allocation of long term incentives in the future will depend on the performance of the Company relative to a peer group of listed companies. The mechanism which determines whether or not long term incentives vest in the future is described in Sections 8.4.2 and 8.5.1.3.

An overview of the actual value of remuneration received by KMP during the year is outlined in Figure 16E. The information in the table differs to that outlined in Figure 16C, as Figure 16C is prepared in accordance with the Corporations Act and measured in accordance with accounting standards. This information is provided as it is considered to be of interest to users of the Remuneration report.

Figure 16E: Actual value of remuneration received by KMP during the year ended 30 June 2015

KMP	Salary and fees ⁽ⁱ⁾ \$	Cash bonus ⁽ⁱⁱ⁾ \$	Super-annuation \$	Value of STI vested ⁽ⁱⁱⁱ⁾ \$	Value of LTI vested ^(iv) \$	Total \$
Executive Director						
David Attenborough	1,056,300	506,250	18,783	-	1,446,086	3,027,419
Executives						
Damien Johnston	630,158	249,638	18,783	-	723,041	1,621,620
Craig Nugent	637,488	221,288	18,783	-	383,427	1,260,986
Adam Rytenskild	506,717	200,025	18,783	-	268,398	993,923
Kerry Willcock	552,008	219,713	18,783	-	632,660	1,423,164
Total	3,382,671	1,396,914	93,915	-	3,453,612	8,327,112

(i) Comprises salary and salary sacrificed benefits as calculated in Figure 16C.

(ii) Cash bonus reflects the 75% of the FY14 STI paid during the year, including the period the individual was not a KMP.

(iii) Value of Restricted Shares vesting during the year as part of the short term incentive, calculated based on the market value of Tabcorp shares at the date of vesting.

(iv) Value of shares issued during the year on the vesting of Performance Rights as part of the long term incentive, calculated based on the market value of Tabcorp shares at the date of vesting.

9.2 Other remuneration tables

Figure 17A: Short term incentive (STI) achieved

For the year ended 30 June 2015

KMP	Actual STI achieved			Actual STI achieved as a % of target STI	STI not achieved as a % of target STI	Actual STI achieved as a % of maximum STI ⁽ⁱⁱⁱ⁾
	Cash portion ⁽ⁱ⁾ \$	Restricted Shares portion ⁽ⁱⁱ⁾ \$	Total \$			
David Attenborough	425,000	425,000	850,000	113%	0%	45%
Damien Johnston	275,000	91,666	366,666	113%	0%	45%
Craig Nugent	271,338	90,446	361,784	107%	0%	43%
Adam Rytenskild	157,650	52,550	210,200	80%	20%	32%
Kerry Willcock	134,379	44,793	179,172	63%	37%	25%

(i) 75% (50% for the MD & CEO) of the actual STI achieved is paid as cash, and is included in remuneration of the current financial year.

(ii) 25% (50% for the MD & CEO) of the actual STI achieved is deferred in the form of Restricted Shares which are subject to a two year service restriction from the grant date. The Restricted Shares will be granted after the end of the financial year, and the value will be reflected in remuneration during the vesting period.

(iii) Maximum STI for KMPs may vary, as it is subject to Board discretion.

Figure 17B: Performance Rights granted during the year

For the year ended 30 June 2015

KMP	Grant date	Number	Fair value at grant date \$	Exercise price \$	Expiry date
David Attenborough	28 October 2014	519,125	2.42	Nil	16 September 2017
Damien Johnston	28 October 2014	178,101	2.42	Nil	16 September 2017
Craig Nugent	28 October 2014	112,641	2.42	Nil	16 September 2017
Adam Rytenskild	28 October 2014	91,368	2.42	Nil	16 September 2017
Kerry Willcock	28 October 2014	156,653	2.42	Nil	16 September 2017

Remuneration report (audited) (continued)

Figure 17C: Performance Rights vested and shares issued during the year

	During the year ended 30 June 2015		
	Performance Rights vested (number)	Shares issued (number)	Amount paid per share \$
KMP			
David Attenborough	394,029	394,029	Nil
Damien Johnston	197,014	197,014	Nil
Craig Nugent	104,476	104,476	Nil
Adam Rytenskild	73,133	73,133	Nil
Kerry Willcock	172,387	172,387	Nil
Total	941,039	941,039	

Figure 17D: Value of Performance Rights granted as part of remuneration – granted, vested and lapsed during the year

	During the year ended 30 June 2015			As a % of remuneration (iv) %
	Granted ⁽ⁱ⁾ \$	Vested ⁽ⁱⁱ⁾ \$	Lapsed ⁽ⁱⁱⁱ⁾ \$	
KMP				
David Attenborough	1,256,283	1,446,086	197,196	36%
Damien Johnston	431,004	723,041	98,598	25%
Craig Nugent	272,591	383,427	52,286	16%
Adam Rytenskild	221,111	268,398	36,601	19%
Kerry Willcock	379,100	632,660	86,274	27%
Total	2,560,089	3,453,612	470,955	

- (i) Represents the value of Performance Rights granted during the year. For details on the valuation of the Performance Rights, including models and assumptions used, refer to Note 20 of the Tabcorp Financial Report.
- (ii) Represents the value of Performance Rights vested during the year. The value is calculated based on the market value of Tabcorp shares at the date of vesting.
- (iii) Represents the value of Performance Rights that lapsed as a result of not satisfying the performance conditions during the year. The value is determined assuming the performance conditions had been achieved, and is calculated based on the market value of Tabcorp shares at the date of lapsing.
- (iv) Represents the fair value of Performance Rights expensed during the year as a percentage of total remuneration, excluding termination payments. Total remuneration includes share based payments.

Figure 17E: KMP interests in Performance Rights of Tabcorp Holdings Limited (number)

KMP	For the year ended 30 June 2015				
	Balance at start of year	Granted as remuneration	Vested	Net change other ⁽ⁱ⁾	Balance at end of year ⁽ⁱⁱ⁾
David Attenborough	1,465,409	519,125	(394,029)	(53,732)	1,536,773
Damien Johnston	634,880	178,101	(197,014)	(26,866)	589,101
Craig Nugent	342,198	112,641	(104,476)	(14,247)	336,116
Adam Rytenskild	280,666	91,368	(73,133)	(9,973)	288,928
Kerry Willcock	555,496	156,653	(172,387)	(23,508)	516,254
Total	3,278,649	1,057,888	(941,039)	(128,326)	3,267,172

- (i) Includes forfeitures.
- (ii) The number of Performance Rights vested and exercisable at year end was nil.

Figure 17F: KMP interests in shares of Tabcorp Holdings Limited (number)

KMP	For the year ended 30 June 2015				
	Balance at start of year	Granted as remuneration ⁽ⁱ⁾	On vesting of Performance Rights	Net change other ⁽ⁱⁱ⁾	Balance at end of year
Non Executive Directors					
Paula Dwyer	50,000	–	–	4,166	54,166
Elmer Funke Kupper	40,000	–	–	14,166	54,166
Steven Gregg	10,000	–	–	5,000	15,000
Jane Hemstritch	23,181	–	–	1,931	25,112
Justine Milne	8,500	–	–	708	9,208
Zygmunt Switkowski	84,876	–	–	7,073	91,949
Executive Director					
David Attenborough	58,609	46,825	394,029	41,621	541,084
Executives					
Damien Johnston	66,383	23,193	197,014	(42,501)	244,089
Craig Nugent	–	20,559	104,476	–	125,035
Adam Rytenskild	21,643	18,583	73,133	(92,993)	20,366
Kerry Willcock	126,211	20,412	172,387	30,112	349,122
Total	489,403	129,572	941,039	(30,717)	1,529,297

- (i) Includes Restricted Shares issued during the year as part of the short term incentive.
- (ii) Includes participation in capital raisings, the Tabcorp Dividend Reinvestment Plan and other voluntary on-market transactions.

Income statement

For the year ended 30 June 2015

	2015 \$m	2014 \$m
Revenue	2,155.5	2,039.8
Other income	(3.7)	0.7
Government taxes and levies	(365.2)	(349.5)
Commissions and fees	(823.6)	(770.8)
Employment costs	(176.0)	(165.1)
Communications and technology costs	(78.5)	(75.9)
Depreciation and amortisation	(173.5)	(164.4)
Property costs	(41.7)	(41.3)
Advertising and promotions	(41.9)	(38.1)
Other expenses	(116.8)	(113.7)
Profit before income tax expense and net finance costs	334.6	321.7
Finance income	5.3	3.4
Finance costs	(81.1)	(100.6)
Profit from continuing operations before income tax expense	258.8	224.5
Income tax benefit/(expense)	75.7	(75.1)
Profit from continuing operations after income tax	334.5	149.4
Discontinued operations		
Loss from discontinued operations, net of tax	-	(19.5)
Net profit after tax	334.5	129.9
Other comprehensive income		
Change in fair value of cash flow hedges taken to equity that may be reclassified to profit or loss	1.9	(4.9)
Exchange differences on translation of foreign operations	0.7	(0.2)
Income tax on items that may be reclassified to profit or loss	(0.6)	1.5
Items that will not be reclassified to profit or loss	2.1	(0.4)
Income tax on items that will not be reclassified to profit or loss	(0.6)	0.1
Other comprehensive income/(loss) for the year, net of income tax	3.5	(3.9)
Total comprehensive income for the year	338.0	126.0
Earnings per share:		
From continuing operations		
Basic earnings per share (cents)	42.4	19.8
Diluted earnings per share (cents)	42.2	19.7
Total attributable to shareholders of Tabcorp		
Basic earnings per share (cents)	42.4	17.2
Diluted earnings per share (cents)	42.2	17.1

Balance sheet

As at 30 June 2015

	2015 \$m	2014 \$m
Current assets		
Cash and cash equivalents	160.0	126.8
Receivables	35.1	39.9
Consumables	4.9	4.7
Derivative financial instruments	1.9	-
Current tax assets	76.2	0.7
Other	18.1	8.9
Total current assets	296.2	181.0
Non current assets		
Receivables	14.2	16.8
Property, plant and equipment	325.1	312.6
Intangible assets – licences	700.9	726.6
Intangible assets – other	1,924.7	1,833.9
Derivative financial instruments	79.2	21.6
Other	43.7	12.6
Total non current assets	3,087.8	2,924.1
TOTAL ASSETS	3,384.0	3,105.1
Current liabilities		
Payables	334.1	340.9
Current tax liabilities	14.2	-
Provisions	27.3	25.9
Derivative financial instruments	24.0	22.6
Other	6.7	7.2
Total current liabilities	406.3	396.6
Non current liabilities		
Interest bearing liabilities	1,147.7	1,094.3
Deferred tax liabilities	58.1	66.9
Provisions	25.1	10.9
Derivative financial instruments	53.0	50.5
Other	3.7	4.5
Total non current liabilities	1,287.6	1,227.1
TOTAL LIABILITIES	1,693.9	1,623.7
NET ASSETS	1,690.1	1,481.4
Equity		
Issued capital	2,426.2	2,188.7
Accumulated losses	(32.0)	(0.7)
Reserves	(704.1)	(706.6)
TOTAL EQUITY	1,690.1	1,481.4

Cash flow statement

For the year ended 30 June 2015

	2015 \$m	2014 \$m
Cash flows from operating activities		
Net cash receipts in the course of operations	2,193.3	2,091.0
Payments to suppliers, service providers and employees	(1,407.3)	(1,274.7)
Payment of government levies, betting taxes and GST	(311.3)	(253.6)
Finance income received	5.3	3.8
Finance costs paid	(83.1)	(103.9)
Income tax refund/(paid)	2.8	(75.2)
Net cash flows from operating activities	399.7	387.4
Cash flows from investing activities		
Payment for business acquisition, net of cash acquired	(103.3)	-
Payment for property, plant and equipment and intangibles	(131.6)	(198.4)
Proceeds from sale of property, plant and equipment and intangibles	-	2.1
Loan repayments received from customers	3.2	40.9
Loans advanced to customers	-	(0.1)
Net cash flows used in investing activities	(231.7)	(155.5)
Cash flows from financing activities		
Net cash flows from revolving bank facilities	-	(154.5)
Proceeds from long term borrowings	-	434.5
Repayment of long term borrowings	-	(434.5)
Dividends paid	(357.6)	(67.0)
Proceeds from issue of shares	235.8	7.0
Payment of transaction costs for share issue	(7.1)	-
Payments for on-market share purchase	(5.9)	(0.4)
Proceeds from sale of treasury shares	-	0.1
Net cash flows used in financing activities	(134.8)	(214.8)
Net increase in cash held	33.2	17.1
Cash at beginning of year	126.8	109.7
Cash at end of year	160.0	126.8

The cash flow statement for the prior period includes the cash flows of the discontinued gaming operations.

Statement of changes in equity

For the year ended 30 June 2015

	Issued capital		Accumulated losses \$m	Net unrealised losses reserve \$m	Employee equity benefit reserve \$m	Demerger reserve \$m	Foreign currency translation reserve \$m	Total equity \$m
	Ordinary shares \$m	Treasury shares \$m						
2015								
Balance at beginning of year	2,189.2	(0.5)	(0.7)	(40.5)	4.0	(669.9)	(0.2)	1,481.4
Profit for the year	-	-	334.5	-	-	-	-	334.5
Other comprehensive income	-	-	1.5	1.3	-	-	0.7	3.5
Total comprehensive income	-	-	336.0	1.3	-	-	0.7	338.0
Dividends paid	-	-	(367.3)	-	-	-	-	(367.3)
Dividend reinvestment plan	9.7	-	-	-	-	-	-	9.7
Ordinary shares issued ⁽ⁱ⁾	235.8	-	-	-	-	-	-	235.8
Transaction costs for share issue	(5.0)	-	-	-	-	-	-	(5.0)
Transfers	2.1	-	-	-	(2.1)	-	-	-
Restricted shares issued	-	(1.1)	-	-	-	-	-	(1.1)
Share based payments expense	-	0.8	-	-	2.6	-	-	3.4
Net outlay to purchase shares ⁽ⁱⁱ⁾	(4.8)	-	-	-	-	-	-	(4.8)
Balance at end of year	2,427.0	(0.8)	(32.0)	(39.2)	4.5	(669.9)	0.5	1,690.1
2014								
Balance at beginning of year	2,129.3	(0.6)	(10.4)	(37.1)	1.9	(669.9)	-	1,413.2
Profit for the year	-	-	129.9	-	-	-	-	129.9
Other comprehensive loss	-	-	(0.3)	(3.4)	-	-	(0.2)	(3.9)
Total comprehensive income	-	-	129.6	(3.4)	-	-	(0.2)	126.0
Dividends paid	-	-	(119.9)	-	-	-	-	(119.9)
Dividend reinvestment plan	59.9	-	-	-	-	-	-	59.9
Restricted shares issued	-	(0.4)	-	-	-	-	-	(0.4)
Share based payments expense	-	0.4	-	-	2.1	-	-	2.5
Disposal of shares	-	0.1	-	-	-	-	-	0.1
Balance at end of year	2,189.2	(0.5)	(0.7)	(40.5)	4.0	(669.9)	(0.2)	1,481.4

(i) Ordinary shares issued under an accelerated renounceable entitlement offer.

(ii) Net outlay for the purchase of Company shares for vested Performance Rights in lieu of issuing new share capital.

Notes to the concise financial statements

For the year ended 30 June 2015

1. Accounting policies

This concise financial report has been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 1039 Concise Financial Reports. The financial statements and specific disclosures required by AASB 1039 are an extract of, and have been derived from the Group's full financial report for the financial year. Other information included in the concise financial report is consistent with the Group's full financial report.

All amounts are presented in Australian Dollars.

A full description of the accounting policies adopted by the Group is provided in the 2015 financial statements which form part of the full financial report.

2. Income tax

In November 2014, Tabcorp resolved with the Australian Taxation Office the tax treatment of the NSW Trackside concessions payment of \$150 million, which was recognised as an asset in 2010. Under the settlement Tabcorp is entitled to a tax deduction of \$105 million over a 10 year period. The Group considers the settlement changes the tax base of the asset, resulting in a new temporary difference arising. An income tax benefit of \$31.5 million representing the entire deduction has been recognised during the year ended 30 June 2015, together with a deferred tax asset that will unwind as the tax deductions are claimed or prior assessments are amended.

In May 2015, Tabcorp resolved with the Australian Taxation Office the income tax treatment of the \$597.2 million it paid to the State of Victoria in 1994 in relation to the Victorian licences granted at that time. The agreed tax treatment provides Tabcorp with an allowable deduction of \$429.6 million, with the balance generating a capital loss of \$167.6 million. As a result, Tabcorp has recognised an income tax benefit of \$128.9 million in the year ended 30 June 2015.

3. Dividends

Dividends declared and paid during the year on ordinary shares:

	2015 \$m	2014 \$m
(a) Interim dividend for 2015 of 10.0 cents per share paid on 16 March 2015 (2014: 8.0 cents per share paid on 24 March 2014)	76.6	60.3
(b) Special dividend for 2015 of 30.0 cents per share paid on 16 March 2015 (2014: nil)	229.7	-
(c) Final dividend for 2014 of 8.0 cents per share paid on 24 September 2014 (2013: 8.0 cents per share paid on 24 September 2013)	61.0	59.6
	367.3	119.9

	2015 \$m	2014 \$m
--	-------------	-------------

Dividends declared after balance date

Since the end of the financial year, the Directors declared the following dividend:

Final dividend for 2015 of 10.0 cents per share to be paid on 24 September 2015 (2014: 8.0 cents per share)	82.9	61.0
---	------	------

The financial effect of this dividend has not been brought to account in the financial statements and will be recognised in subsequent financial reports.

Dividends on ordinary shares are fully franked at a tax rate of 30%.

4. Segment information

The Group's operating segments have been determined based on the internal management reporting structure and the nature of products and services provided by the Group. They reflect the business level at which financial information is provided to management for decision making regarding resource allocation and performance assessment. The measure of segment profit used excludes significant items not considered integral to the ongoing performance of the segment, which are outlined in the reconciliation below. Intersegment pricing is determined on commercial terms and conditions.

The Group has three operating segments:

Wagering and Media	Comprises: – Totalisator and fixed odds betting activities. – National and international broadcasting of racing and sporting events.
Gaming Services	Supply of electronic gaming machines and specialised services to licensed gaming venues.
Keno	Keno operations in licensed venues and TABs in Victoria, Queensland and the ACT, and in licensed venues in NSW.

During the period the previous Media and International segment was combined with the Wagering segment, as the nature of products and services are inherently related. This follows revisions in the internal management structure. The prior period has been restated accordingly.

Notes to the concise financial statements (continued)

For the year ended 30 June 2015

4. Segment information (continued)

	Wagering and Media \$m	Gaming Services \$m	Keno \$m	Total \$m
2015				
Revenue	1,856.9	99.6	199.0	2,155.5
Segment profit before interest and tax	247.2	41.6	47.5	336.3
Depreciation and amortisation	128.6	26.0	18.9	173.5
Capital expenditure	79.2	46.9	16.6	142.7
2014				
Revenue	1,737.8	98.1	203.9	2,039.8
Segment profit before interest and tax	234.1	39.7	51.7	325.5
Depreciation and amortisation	116.6	27.3	20.5	164.4
Capital expenditure	73.3	43.5	15.9	132.7
			2015	2014
Reconciliation of segment profit			\$m	\$m
Segment profit before interest and tax			336.3	325.5
Unallocated items:				
– finance income			5.3	3.4
– finance costs			(81.1)	(100.6)
– other			(1.7)	(3.8)
Profit from continuing operations before income tax expense			258.8	224.5

5. Subsequent events

Civil proceedings

On 21 July 2015 the Australian Transaction Reports and Analysis Centre (AUSTRAC) commenced civil proceedings against Tabcorp Holdings Limited, Tab Limited and Tabcorp Wagering (Vic) Pty Ltd alleging certain breaches of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006. The Statement of Claim in these proceedings included matters which have been raised by and discussed with AUSTRAC over an extended period. The Company has been actively managing these matters in consultation with AUSTRAC, and continues to work on resolving them as a priority. At this stage it is not practicable to determine the extent of any potential financial impact to the Group.

Other than the events disclosed elsewhere in this report, no other matters or circumstances have arisen since the end of the financial year, that may significantly affect the Group's operations, the results of those operations or the state of affairs of the Group.

Directors' declaration

In the opinion of the Directors of Tabcorp Holdings Limited the accompanying concise financial report of the consolidated entity, comprising Tabcorp Holdings Limited and its controlled entities for the year ended 30 June 2015:

- (a) has been derived from or is consistent with the full financial report for the financial year; and
- (b) complies with Accounting Standard AASB 1039 Concise Financial Reports.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with sections 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors.



Paula J Dwyer
Chairman



David R H Attenborough
Managing Director and Chief Executive Officer

Melbourne
13 August 2015

Independent auditor's report



Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 9650 7777
ey.com/au

Independent auditor's report to the members of Tabcorp Holdings Limited Report on the Concise Financial Report

We have audited the accompanying concise financial report of Tabcorp Holdings Limited which comprises the balance sheet as at 30 June 2015, the income statement, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of Tabcorp Holdings Limited for the year ended 30 June 2015. The concise financial report also includes the directors' declaration. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Directors' Responsibility for the Concise Financial Report

The Directors are responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039 Concise Financial Reports, and the Corporations Act 2001, and for such internal controls as the directors determine are necessary to enable the preparation of the concise financial report.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures which were conducted in accordance with ASA 810 Engagements to Report on Summary Financial Statements. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Tabcorp Holdings Limited for the year ended 30 June 2015. We expressed an unmodified audit opinion on the financial report in our report dated 13 August 2015. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the concise financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Our procedures included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of audit evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with AASB 1039 Concise Financial Reports.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation



2

Auditor's Opinion

In our opinion, the concise financial report and the directors' declaration of Tabcorp Holdings Limited for the year ended 30 June 2015 complies with Accounting Standard AASB 1039 Concise Financial Reports.

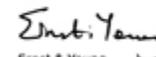
Report on the Remuneration Report

The following paragraphs are copied from our Report on the Remuneration Report for the year ended 30 June 2015.

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Tabcorp Holdings Limited for the year ended 30 June 2015, complies with section 300A of the Corporations Act 2001.


Ernst & Young


Tony Johnson
Partner
Melbourne
13 August 2015

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

Five year review

	2015 \$m	2014 \$m	2013 \$m	2012 \$m	2011 \$m
Total revenue	2,155.5	2,039.8	2,133.4	3,038.5	4,469.6
EBITDA ¹	508.1	459.4	472.3	725.2	774.7
Profit before interest and tax ²	334.6	295.0	313.1	591.7	856.3
Profit after income tax attributable to members of parent entity ³	334.5	129.9	126.6	340.0	534.8
Dividend ⁴	389.2	121.3	140.3	173.0	295.1

Cash and deposits	160.0	126.8	109.7	151.4	147.1
Other current assets	136.2	54.2	111.6	76.8	103.8
Intangible assets – licences	700.9	726.6	750.3	814.8	430.2
Intangible assets – other	1,924.7	1,833.9	1,772.4	1,803.2	1,805.7
Other non current assets	462.2	363.6	400.6	402.8	351.7
Total assets	3,384.0	3,105.1	3,144.6	3,249.0	2,838.5
Current interest bearing liabilities	–	–	432.9	–	449.8
Other current liabilities	406.3	396.6	356.7	490.2	502.2
Non current interest bearing liabilities	1,147.7	1,094.3	821.5	1,224.0	515.2
Other non current liabilities	139.9	132.8	120.3	129.0	160.4
Total liabilities	1,693.9	1,623.7	1,731.4	1,843.2	1,627.6
Shareholders' funds	1,690.1	1,481.4	1,413.2	1,405.8	1,210.9
Capital expenditure – payments	131.6	198.4	204.2	631.0	595.6

	cents	cents	cents	cents	cents
Earnings per share	42.4	17.2	17.2	47.6	80.7
Dividends per share ⁴	50.0	16.0	19.0	24.0	43.0
Operating cash flow per share ⁵	34.0	25.0	8.2	(14.8)	9.4
Return on shareholders' funds	21.3%	8.9%	9.0%	25.9%	18.5%
Net assets per share	\$2.14	\$1.96	\$1.92	\$1.97	\$1.83

Revenue ⁶	\$m	\$m	\$m	\$m	\$m
Wagering and Media ⁷	1,856.9	1,737.8	1,711.5	1,776.5	1,699.6
Gaming Services	99.6	98.1	86.3	4.7	–
Keno	199.0	203.9	205.4	183.1	169.6
Gaming ⁸	–	–	130.2	1,074.2	1,077.4
Casinos ⁹	–	–	–	–	1,439.4
Unallocated/elimination	–	–	–	–	(4.2)
Normalisation adjustment	–	–	–	–	87.8
Total	2,155.5	2,039.8	2,133.4	3,038.5	4,469.6

- 2013 includes impairment of \$65.8 million, 2011 includes impairment of \$358.0 million and excludes net gain on demerger of Echo Entertainment Group before income tax benefit of \$304.6 million.
- 2011 includes net gain on demerger of Echo Entertainment Group before income tax benefit of \$304.6 million.
- 2011 includes net gain on demerger of Echo Entertainment Group of \$351.2 million. 2015 includes \$163.2 million as a result of receiving income tax benefits relating to the Victorian wagering and gaming licence payment and the NSW Trackside payment and associated interest income.
- Dividends attributable to the year, but which may be payable after the end of the period. 2015 includes a special dividend of 30.0 cents per share.
- Net operating cash flow per the cash flow statement does not include payments for property plant and equipment and intangibles, whereas these items are included in the calculation for the operating cash flow per share ratio. 2012 includes payment for the Victorian Wagering and Betting Licence of \$418.7 million.
- Revenue includes both external and internal revenue.
- During the period the previous Media and International segment was combined with the Wagering segment. The prior period has been restated accordingly.
- Gaming includes the Victorian Tabaret business which ceased operations on 15 August 2012.
- The Casino revenues are normalised.

Shareholder information

As at 14 August 2015

Ordinary shares

Tabcorp has on issue 829,399,821 fully paid Ordinary Shares which are listed on the Australian Securities Exchange (ASX) under the code TAH. The issued capital has increased from last year due to Ordinary Shares issued under the 1 for 12 pro rata accelerated renounceable entitlement offer which concluded in March 2015. There currently isn't a share buy-back in operation in respect of the Company's Ordinary Shares.

Tabcorp Subordinated Notes

Tabcorp has on issue 2,500,000 Tabcorp Subordinated Notes which are unsecured, subordinated, cumulative debt securities listed on the ASX under the code TAHHB. They were initially issued on 22 March 2012 to successful applicants pursuant to the Tabcorp Subordinated Notes Prospectus dated 22 February 2012. Holders of Tabcorp Subordinated Notes are entitled to receive quarterly interest payments (subject to deferral) and \$100 cash per Tabcorp Subordinated Note upon redemption. The interest rate is equal to the three month bank bill rate plus a fixed margin of 4.00% per annum. If Tabcorp does not elect to redeem the Tabcorp Subordinated Notes on 22 March 2017 (the First Call Date), then the fixed margin increases by 0.25% per annum.

Shareholding restrictions

The Company's Constitution, together with an agreement entered into with the State of Queensland, contain restrictions prohibiting an individual from having a voting power of more than 10% in the Company. The Company may refuse to register any transfer of shares which would contravene these shareholding restrictions or require divestiture of the shares that cause an individual to exceed the shareholding restrictions.

Voting rights

All Ordinary Shares issued by Tabcorp Holdings Limited carry one vote per Ordinary Share. Tabcorp Subordinated Notes and Performance Rights do not carry any rights to vote at general meetings of the Company's shareholders. Failure to comply with certain provisions of the Victorian Gambling Regulation Act 2003 or Tabcorp's Constitution, including the shareholder restrictions discussed above, may result in suspension of voting rights.

Shareholder benefits scheme

Tabcorp operates a benefits scheme for shareholders. The scheme is aligned with Tabcorp's key wagering business and associated racing industries, and provides free entry into nominated thoroughbred, harness and greyhound racing events. Shareholders only have to register once, then they will receive a new benefits card in July each year. Details of the scheme and its terms and conditions are available on Tabcorp's website www.tabcorp.com.au.

Substantial shareholders

The following is a summary of the current substantial shareholders pursuant to notices lodged with the ASX in accordance with section 671B of the Corporations Act 2001:

Name	Date of interest	Number of ordinary shares ⁽ⁱ⁾	% of issued capital ⁽ⁱⁱ⁾
Northcape Capital Pty Ltd	22 July 2014	54,626,100	7.16%
National Australia Bank Limited	17 July 2015	41,852,545	5.046%

(i) As disclosed in the last notice lodged with the ASX by the substantial shareholder.

(ii) The percentage set out in the notice lodged with the ASX is based on the total issued share capital of Tabcorp at the date of interest.

Marketable parcel

There were 12,074 shareholders holding less than a marketable parcel of ordinary shares (\$500 or more, equivalent to 102 ordinary shares) based on a market price of \$4.95 at the close of trading on 14 August 2015.

Twenty largest registered holders of ordinary shares

Investor name	Number of ordinary shares	% of issued capital
J P Morgan Nominees Australia Limited	179,101,488	21.59
HSBC Custody Nominees (Australia) Limited	163,819,799	19.75
National Nominees Limited	99,671,275	12.02
Citicorp Nominees Pty Limited	67,320,428	8.12
BNP Paribas Noms Pty Ltd <DRP>	23,914,629	2.88
AMP Life Limited	8,669,338	1.05
Citicorp Nominees Pty Limited <Colonial First State Inv A/C>	6,628,977	0.80
HSBC Custoday Nominees (Australia) Limited (NT-Comnwlth Super Corp A/C>	6,008,267	0.72
Questor Financial Services Limited <TPS RF A/C>	6,000,448	0.72
BNP Paribas Nominees Pty Ltd <Agency Lending DRP A/C>	4,959,970	0.60
UBS Nominees Pty Ltd	4,239,937	0.51
Argo Investments Limited	2,850,670	0.34
CS Fourth Nominees Pty Ltd	2,691,412	0.32
National Nominees Limited <N A/C>	2,553,000	0.31
RBC Investor Services Australia Nominees Pty Limited <BKCUST A/C>	2,062,132	0.25
Pacific Custodians Pty Limited <TAH Plans Ctrl>	1,996,905	0.24
SBN Nominees Pty Limited <10004 Account>	1,800,000	0.22
RBC Investor Services Australia Nominees Pty Limited <PI Pooled A/C>	1,737,219	0.21
Questor Financial Services Limited <TPS PIP A/C>	1,376,478	0.17
UBS Wealth Management Australia Nominees Pty Ltd	1,332,446	0.16
Total of top 20 registered holders	588,734,818	70.98

Twenty largest registered holders of Tabcorp Subordinated Notes

Investor name	Number of Subordinated Notes	% of total Notes
Citicorp Nominees Pty Limited	183,056	7.32
National Nominees Limited	182,274	7.29
UBS Nominees Pty Ltd	150,259	6.01
UBS Wealth Management Australia Nominees Pty Ltd	139,706	5.59
National Nominees Limited <DB A/C>	111,817	4.47
HSBC Custody Nominees (Australia) Limited	82,345	3.29
BNP Paribas Noms Pty Ltd <DRP>	42,355	1.69
Arrowcrest Group Pty Ltd	22,500	0.90
First Option Credit Union Ltd	20,000	0.80
Mr Masaji Kitagawa	20,000	0.80
RBC Investor Service Australia Nominees Pty Limited <GSENI A/C>	18,382	0.74
Navigator Australia Ltd <MLC Investment Sett A/C>	16,683	0.67
Nulis Nominees (Australia) Limited <Navigator Mast Plan Sett A/C>	13,108	0.52
BT Portfolio Services Limited <Maxwell Family A/C>	12,250	0.49
Trijon Nominees Pty Ltd <McPharlin Super Fund A/C>	12,125	0.49
Netwealth Investments Limited <Wrap Services A/C>	10,828	0.43
Ramm Investments Pty Ltd <R&M Mesiti Hldgs P/L S/F A/C>	10,500	0.42
Strandell Pty Ltd <Strandell Super Ben Fund A/C>	10,100	0.40
Mr Edward Furnival Griffen & Mrs Deborah Ann Griffen <Griffen Super Fund A/C>	10,000	0.40
Wythenshawe Pty Ltd	10,000	0.40
Total of top 20 registered holders	1,078,288	43.12

Distribution of securities held

Number of securities held	Ordinary shares ⁽ⁱ⁾		Tabcorp Subordinated Notes		Performance Rights ⁽ⁱⁱ⁾	
	Number of holders	Number of securities	Number of holders	Number of securities	Number of holders	Number of securities
1 – 1,000	75,234	22,881,223	3,295	883,836	–	–
1,001 – 5,000	34,692	76,083,472	205	428,067	–	–
5,001 – 10,000	5,974	41,594,418	17	129,809	–	–
10,001 – 100,000	3,662	72,203,535	13	291,176	1	45,174
100,001 and over	114	616,637,173	5	767,112	9	4,396,343
Total	119,676	829,399,821	3,535	2,500,000	10	4,441,517

(i) Ordinary shares includes Restricted Shares and Deferred Shares offered to employees under the Company's incentive arrangements.

(ii) Performance Rights were issued pursuant to the Company's long term incentive arrangements.

Refer to the Remuneration report on pages 39 to 56 for more information about the Company's incentive arrangements.

Shareholder information (continued)

As at 14 August 2015

Major announcements

Tabcorp's major Company announcements since the previous annual report are listed below. These announcements are available on the Company's website at www.tabcorp.com.au following their release to the Australian Securities Exchange.

2015

13 Aug	Full year results – statutory net profit after tax of \$334.5 million, up 157.5%
7 Aug	Sky Racing concludes Victorian thoroughbred racing media rights arrangements
22 Jul	AUSTRAC brings civil proceedings against Tabcorp
21 May	Tabcorp resolved with the Australian Taxation Office the tax treatment of the 1994 Victorian licences payment, resulting in an income tax benefit of \$128.9 million
15 May	Tabcorp's claim for approximately \$686 million – High Court of Australia grants Tabcorp special leave to appeal
4 May	Trading update for the third quarter of the 2015 financial year
29 Apr	Tabcorp enters into global partnership with USA-based gaming, eSports and entertainment company Unikrn
13 Feb	Levy on gaming machines – High Court of Australia declines to grant Tabcorp special leave to appeal
5 Feb	Tabcorp announces 30 cent per share special dividend and \$236 million capital raising
5 Feb	Half year results – statutory net profit after tax of \$122.4 million, up 64.1%
28 Jan	Sky Racing reaches agreement on NSW thoroughbred media rights

2014

17 Dec	Tabcorp's claim for approximately \$686 million – Tabcorp applies for special leave to appeal to the High Court of Australia
4 Dec	Tabcorp's claim for approximately \$686 million – Supreme Court of Victoria dismisses Tabcorp's appeal
24 Nov	Tabcorp resolved with the Australian Taxation Office the tax treatment of the payment relating to NSW Trackside, resulting in an income tax benefit of \$31.5 million
28 Oct	Chairman's and Managing Director's Annual General Meeting addresses
16 Oct	Investor day presentation
15 Oct	Trading update for the first quarter of the 2015 financial year
14 Oct	Tabcorp completes acquisition of ACTTAB
12 Sep	Tabcorp has again been ranked as the global gambling industry leader in Dow Jones Sustainability Index

Online shareholder services

Use the internet to easily manage your shareholding

Shareholders can use the online share registry facility available on the Company's website www.tabcorp.com.au, or through the share registry's website www.linkmarketservices.com.au to conduct standard shareholding enquiries and transactions, including:

- Download dividend statements
- Update registered address
- Check current and previous shareholding balances
- Appoint a proxy to vote at the Annual General Meeting
- Lodge or update banking details
- Participate in the Dividend Reinvestment Plan
- Notify Tax File Number/Australian Business Number

Dividend payments

All dividends paid by Tabcorp to shareholders with a registered address in Australia are paid by direct credit into a nominated bank account with an Australian financial institution. Payments are electronically credited on payment date, allowing shareholders to utilise their funds immediately without any mailing or handling delays. There are also no misplaced or undeposited cheques, and reduces the likelihood of mail fraud. Shareholders can provide and update their bank account details by using the online share registry facility or by contacting the share registry.

Dividend Reinvestment Plan (DRP)

Tabcorp operates a DRP which enables participants to reinvest their dividends into acquiring additional Tabcorp Ordinary Shares without incurring any brokerage or handling costs. The DRP did not operate in respect of the interim and special dividends paid on 16 March 2015. To elect to participate in the Company's DRP, use the online share registry facility or contact the share registry.

Annual Report

Tabcorp's interactive Annual Reports are available online from the Company's website, www.tabcorp.com.au. Annual Reports are sent to those shareholders who have requested to receive a copy. Shareholders who no longer wish to receive a hard copy of the Annual Report or wish to receive the Annual Report electronically should contact the share registry or make their election by using the online share registry facility or contacting the share registry.

Company directory

Registered office

Tabcorp Holdings Limited

5 Bowen Crescent
Melbourne VIC 3004
Australia

Telephone 03 9868 2100
Facsimile 03 9868 2300
Email investor@tabcorp.com.au

Website

www.tabcorp.com.au

Stock exchange listings

The Company's securities are quoted on the Australian Securities Exchange (ASX) under the codes TAH for ordinary shares and TAHHB for Tabcorp Subordinated Notes.

New South Wales office

Level 31
680 George Street
Sydney NSW 2000
Telephone 02 9218 1000

Sky Racing/Sky Sports Radio

79 Frenchs Forest Road
Frenchs Forest NSW 2086
Telephone 02 9451 0888

Queensland office

Level 16
15 Adelaide Street
Brisbane QLD 4000
Telephone 07 3243 4100

Share registry

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia
Telephone 1300 665 661
Telephone 02 8280 7418
Facsimile 02 9287 0303
Facsimile 02 9287 0309 (*proxy forms only*)
Email tabcorp@linkmarketservices.com.au
Website www.linkmarketservices.com.au

Key dates

2015

Annual General Meeting (The Langham, Melbourne)	29 October
---	------------

2016*

Half year results announcement	4 February
Ex-dividend for interim dividend	9 February
Record date for interim dividend	11 February
Interim dividend payment	16 March
End of financial year	30 June
Full year results announcement	4 August
Ex-dividend for final dividend	9 August
Record date for final dividend	11 August
Final dividend payment	20 September
Annual General Meeting	25 October

* These are proposed dates.
See the Company's website for updates (if any).

Currency

References to currency are in Australian dollars unless otherwise stated.

Copyright

Information in this report has been prepared by Tabcorp, unless otherwise indicated. Information may be reproduced provided it is reproduced accurately and not in a misleading context. Where the material is being published or issued to others, the sources and copyright status should be acknowledged.

Investment warning

Past performance of shares is not necessarily a guide to future performance. The value of investments and any income from them is not guaranteed and can fall as well as rise. Tabcorp recommends investors seek independent professional advice before making investment decisions.

Privacy

Tabcorp respects the privacy of its stakeholders. Tabcorp's Privacy Policy is available on the Company's website at www.tabcorp.com.au.



www.tabcorp.com.au