

18 August 2021

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

TABCORP FULL YEAR RESULTS PRESENTATION

Attached is the presentation regarding Tabcorp Holdings Limited's (**Tabcorp**) results for the financial year ended 30 June 2021 to be presented by David Attenborough, Managing Director and Chief Executive Officer.

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

The information contained in this announcement should be read in conjunction with today's announcements of Tabcorp's results for the financial year ended 30 June 2021.

This announcement was authorised for release by the Tabcorp Board.

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Excitement
with Integrity

Tabcorp

2020-21

FULL YEAR RESULTS PRESENTATION
YEAR ENDED 30 JUNE 2021

18 AUGUST 2021

ABN 66 063 780 709



POWERBALL

SUPER QUICKPICK

GAME	1	2	3	4	10	11
1	1	2	3	4	10	11
2	1	3	10	11	23	31
3	1	7	11	13	19	
4	1	7	19	21	23	
5	1	9	13	14	18	
6	1	5	6	8	11	17
7	1	3	18	27		



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EXECUTIVE SUMMARY

Strong operational result in a year heavily impacted by COVID-19

GROUP REVENUE

\$5,686M

+8.8% ON PCP

GROUP EBITDA¹

\$1,107M

+11.3% ON PCP

GEARING

2.4X

GROSS DEBT/EBITDA

FY21 DIVIDEND

14.5 CPS

UP 31.8% ON PCP
80% PAYOUT RATIO

LOTTERIES & KENO

- Record profit result (despite below average jackpots)
- Digital turnover growth of 30%; resilient performance in retail

WAGERING & MEDIA

- Improved performance and growth across TAB, Media and International
- Digital wagering turnover growth of 27%²; resilient performance in retail venues when re-opening after lockdowns

GAMING SERVICES

- Venue Services continued to be heavily COVID-19 impacted
- Progressing with implementation of the plan to simplify and streamline the business

Notes:

1. EBITDA before significant items
2. Digital includes digital and call centre channels in which a customer transacts using their account

FY21 GROUP RESULTS

\$M	FY21	FY20	Change	
			\$	%
Revenues	5,686	5,224	462	8.8%
Variable contribution	1,914	1,792	122	6.8%
Operating expenses	(807)	(797)	(10)	1.3%
EBITDA before significant items	1,107	995	112	11.3%
D&A	(383)	(399)	16	(4.0%)
EBIT before significant items	724	596	128	21.5%
Interest	(155)	(193)	38	(19.7%)
Tax expense	(170)	(132)	(38)	28.8%
NPAT before significant items	399	271	128	47.2%
Significant items (after tax) - goodwill impairment ¹	(122)	(1,090)	968	NM
Significant items (after tax) - other ²	(8)	(51)	43	NM
Statutory NPAT	269	(870)	1,139	NM
EPS (before significant items)	18.3	13.4	4.9	36.6%
EPS (statutory)	12.3	(42.9)	55.2	NM
DPS (fully franked)	14.5	11.0	3.5	31.8%

EBITDA
+11.3%
BEFORE SIGNIFICANT
ITEMS

NPAT
+47.2%
BEFORE SIGNIFICANT
ITEMS

EPS
+36.6%
BEFORE SIGNIFICANT
ITEMS

DPS
+31.8%
80% PAYOUT
RATIO



Notes:

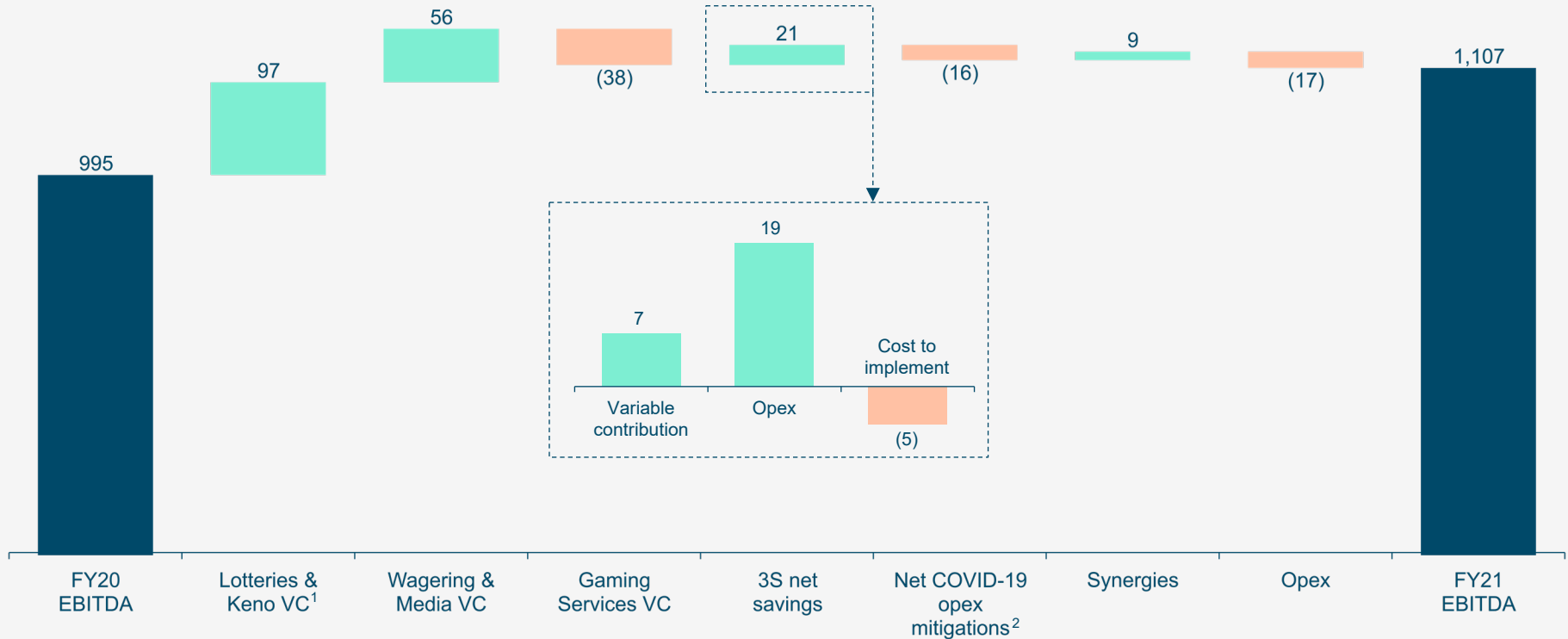
1. Non-cash impairment of Gaming Services goodwill reflects reduced expectations for future growth and contract extensions, particularly due to the ongoing COVID-19 impacts
2. Refer Appendix 1

GROUP EBITDA GROWTH 11.3%

Strong Lotteries & Keno result

Wagering & Media improvement; cycling larger COVID-19 impacts in pcp

Full year impact of COVID-19 on Gaming Services



Notes:

1. Lotteries & Keno VC includes the impact of Jumbo dividend received in FY20 (\$3m)
2. Net COVID-19 opex mitigations of \$16m (\$47m in FY20, \$31m in FY21)

CAPITAL METRICS

Strong and flexible financial position

Payout ratio at top end of target range

Material increase in ROIC with further improvement targeted



TARGET

GEARING

2.4X

GROSS DEBT /
EBITDA

2.5x - 3.0x

DEBT PROFILE

**AVG MATURITY¹:
5.7 YEARS**

**AVG INTEREST
RATE²: 5.3%**

Minimise cost of borrowings

CREDIT RATING

BBB- /STABLE

Maintain investment grade

CAPEX

\$161M

FY20: \$262M

FY22 BAU capex: <\$200m
FY22 D&A: \$380m - \$390m

ROIC³

7.9%

FY20: 6.4%

Increase returns to cost of
capital over time

DIVIDENDS

14.5 CPS

Payout ratio: 80%
FY20: 11.0 CPS

70% - 80% of NPAT before
significant items

Notes:

1. Based on available facilities
2. Based on drawn facilities (based on available facilities: 3.8%)
3. ROIC is an absolute measure, defined as earnings before interest, tax and significant items (EBIT before significant items), divided by the average invested capital base. Invested capital bases have been pro-forma adjusted for comparative purposes to give effect to the goodwill impairments of FY20 and FY21 as if they had occurred at the beginning of FY20. If the goodwill impairments of FY20 and FY21 are added back to the asset base, ROIC would be FY20: 5.7%, FY21: 7.0%

OPTIMISATION PROGRAM '3S'

Further savings expected in FY22

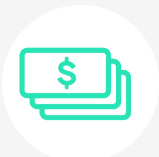


VARIABLE CONTRIBUTION



\$7M

OPERATING EXPENSES



\$19M

DEPRECIATION & AMORTISATION



\$4M

- Jumbo reseller agreement (L&K)
- Agency rationalisation (W&M)
- Operating model changes (W&M, GS)
- Process simplification & redesign (Group-wide)

Notes:

1. Comprises Lotteries & Keno \$5m, Wagering & Media \$19m, Gaming Services \$6m. Amounts are before costs to implement (program costs) of \$5m (pre tax)



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GROUP & BUSINESS RESULTS¹

\$M	Lotteries & Keno			Wagering & Media			Gaming Services			Group		
	FY21	FY20	Change	FY21	FY20	Change	FY21	FY20	Change	FY21	FY20	Change
Revenues	3,206	2,917	9.9%	2,298	2,084	10.3%	183	221	(17.2%)	5,686	5,224	8.8%
Variable contribution	858	754	13.8%	884	825	7.2%	172	210	(18.1%)	1,914	1,792	6.8%
Operating expenses	(238)	(212)	12.3%	(470)	(454)	3.5%	(101)	(126)	(19.8%)	(807)	(797)	1.3%
EBITDA	620	542	14.4%	414	371	11.6%	71	84	(15.5%)	1,107	995	11.3%
D&A	(104)	(100)	4.0%	(198)	(196)	1.0%	(81)	(98)	(17.3%)	(383)	(399)	(4.0%)
EBIT	516	442	16.7%	216	175	23.4%	(10)	(14)	NM	724	596	21.5%
VC / Revenue %	26.8%	25.8%	1.0%	38.5%	39.6%	(1.1%)	94.0%	95.0%	(1.0%)	33.7%	34.3%	(0.6%)
Opex / Revenue %	7.4%	7.3%	0.1%	20.5%	21.8%	(1.3%)	55.2%	57.0%	(1.8%)	14.2%	15.3%	(1.1%)
EBITDA / Revenue %	19.3%	18.6%	0.7%	18.0%	17.8%	0.2%	38.8%	38.0%	0.8%	19.5%	19.0%	0.5%
EBIT / Revenue %	16.1%	15.2%	0.9%	9.4%	8.4%	1.0%	(5.5%)	(6.3%)	0.8%	12.7%	11.4%	1.3%
Capex	37	55	(32.7%)	98	144	(31.9%)	26	63	(58.7%)	161	262	(38.5%)

Notes:

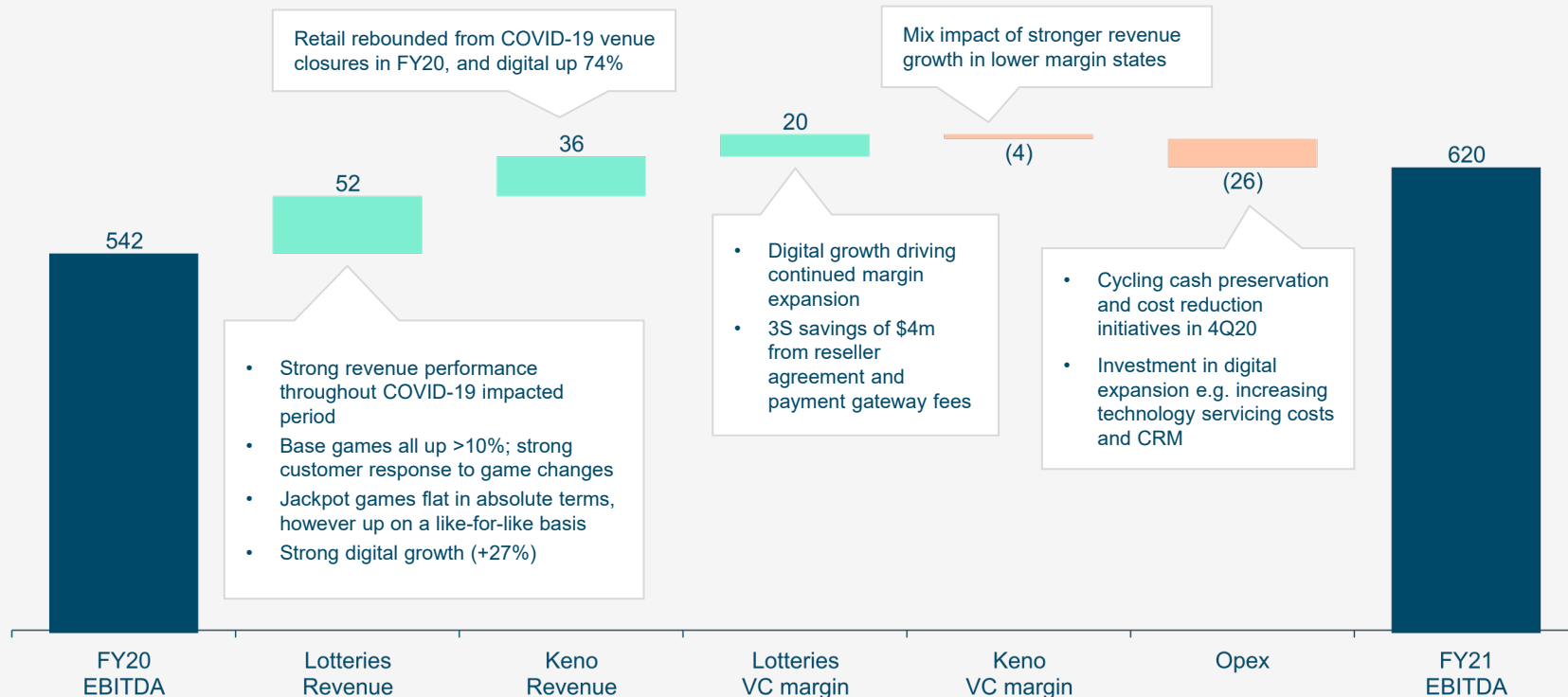
1. All amounts are before significant items. Business results may not aggregate to Group total due to intercompany eliminations and unallocated items

LOTTERIES & KENO RESULT HIGHLIGHTS

Strong revenue growth driven by game development, and active portfolio and sequence management

Customer-centred improvements continue to deliver better player experiences, increased digital conversion and greater retail integration

\$M	FY21	FY20 ¹	Change
Revenues	3,206	2,917	9.9%
Variable contribution	858	754	13.8%
Operating expenses	(238)	(212)	12.3%
EBITDA	620	542	14.4%
D&A	(104)	(100)	4.0%
EBIT	516	442	16.7%
VC / Revenue %	26.8%	25.8%	1.0%
Opex / Revenue %	7.4%	7.3%	0.1%
EBITDA / Revenue %	19.3%	18.6%	0.7%



Notes:

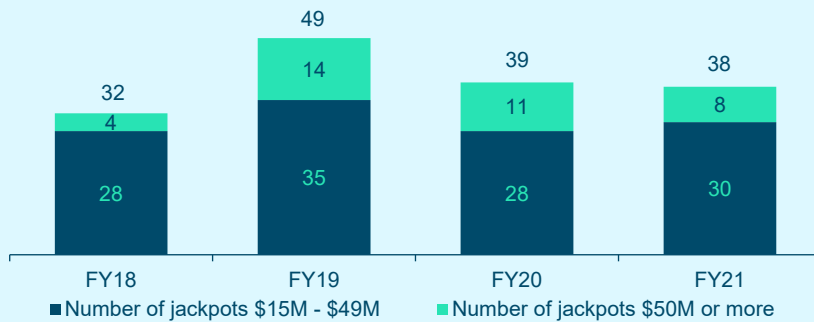
1. Instant Scratch-It inventory costs have been restated in FY20 from operating expenses to Cost of Goods Sold (within variable contribution)

LOTTERIES & KENO

KEY PERFORMANCE INDICATORS

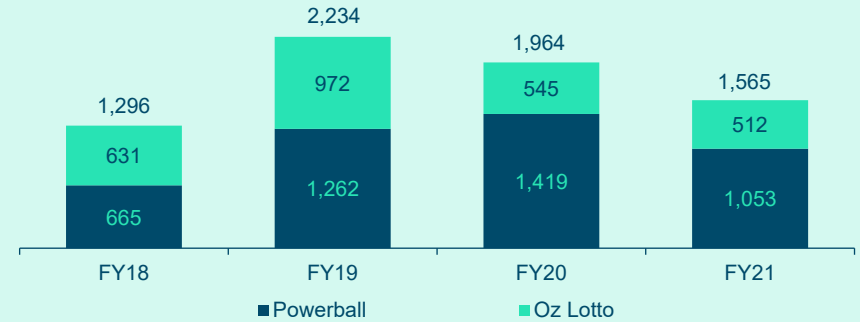
POWERBALL AND OZ LOTTO MAJOR JACKPOTS

Below average major jackpots despite acceleration of sequences



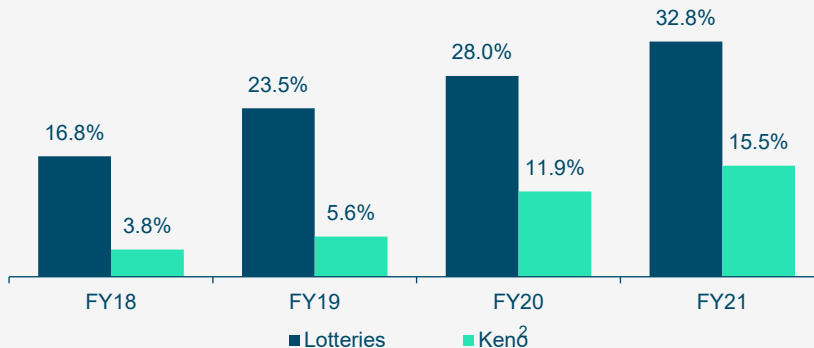
CUMULATIVE JACKPOT VALUE OFFERED¹

Powerball cycling three jackpots of \$100m or more in FY20



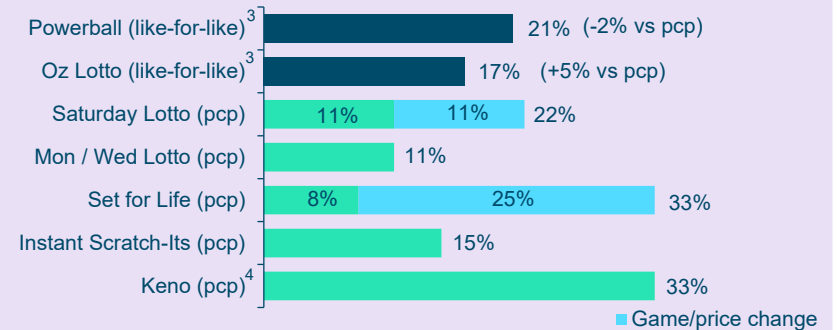
DIGITAL SHARE OF TURNOVER

Margins supported by continued shift to digital



COMPARABLE TURNOVER GROWTH

Positive impacts from game changes
COVID-19 premium remained evident throughout the year



Notes:

1. The cumulative value of all Division 1 offers for Powerball and Oz Lotto draws
2. ACT Kenō only. NSW in-venue mobile now decommissioned
3. Powerball and Oz Lotto adjusted to reflect comparable jackpot sequences
4. Includes an estimated 24% net benefit due to the relatively greater opening of retail venues in FY21 vs FY20 due to lesser COVID-19 restrictions

LOTTERIES & KENO

CUSTOMER-FOCUSED INVESTMENTS DRIVING GROWTH

Investments in product enhancements, omni-channel program, digital platform and payment options helping deliver compelling offers and the ability for customers to buy when, where and how they wish

FY21

FY22



Set for Life¹ and Saturday Lotto changes



Evolve retailer mix



The Lott brand refresh



App in Google Play Store



PayPal introduction



SA launch of omni-channel program



Evolve retailer mix and CX uplift



Digital innovation



Contact centre transformation



Community focus campaign



Oz Lotto changes



Retail venue uplift



Retailer support during COVID-19



Keno SA alignment



App in Google Play Store



Enhanced digital CRM



Keno Victoria Licence outcome



Digitally enhance retail



Keno cashless pilot



PayPal introduction



Community partnerships expansion



Responsible Gaming - early intervention program



Notes:

1. Set For Life change launched in March 2020 but full year effect on results in FY21

LOTTERIES & KENO

KEY GROWTH STRATEGIES

Growth to be underpinned by a customer-led focus on product innovation, deepened engagement across all channels and digital expansion

DRIVE INNOVATION WITH A CUSTOMER FOCUS



- Continue to evolve game portfolio to align with changing player motivations
 - Review and refresh existing games
 - Develop and/or acquire new games
- Leverage large known player base to deliver tailored customer experiences to drive engagement

OPTIMISE DIGITAL ENGAGEMENT



- Optimise channel mix to further reflect consumer behaviour and build loyalty
- Customer-led digital innovation to enhance the user experience and maximise engagement
- Innovative and data driven personalised marketing, including continued investment in digital capability

EVOLVE RETAIL FOOTPRINT



- Continue to diversify retail channel mix to meet changing customer behaviours
- Continue to promote the omni-channel offering across the retail network
- Customer-driven retail experience designed to support broad range of outlet types

PURSUE GROWTH OPPORTUNITIES



- Explore opportunities for enhancements to existing licences
- Evaluate potential future new licence opportunities
- Leverage international profile to explore partnerships with global industry players

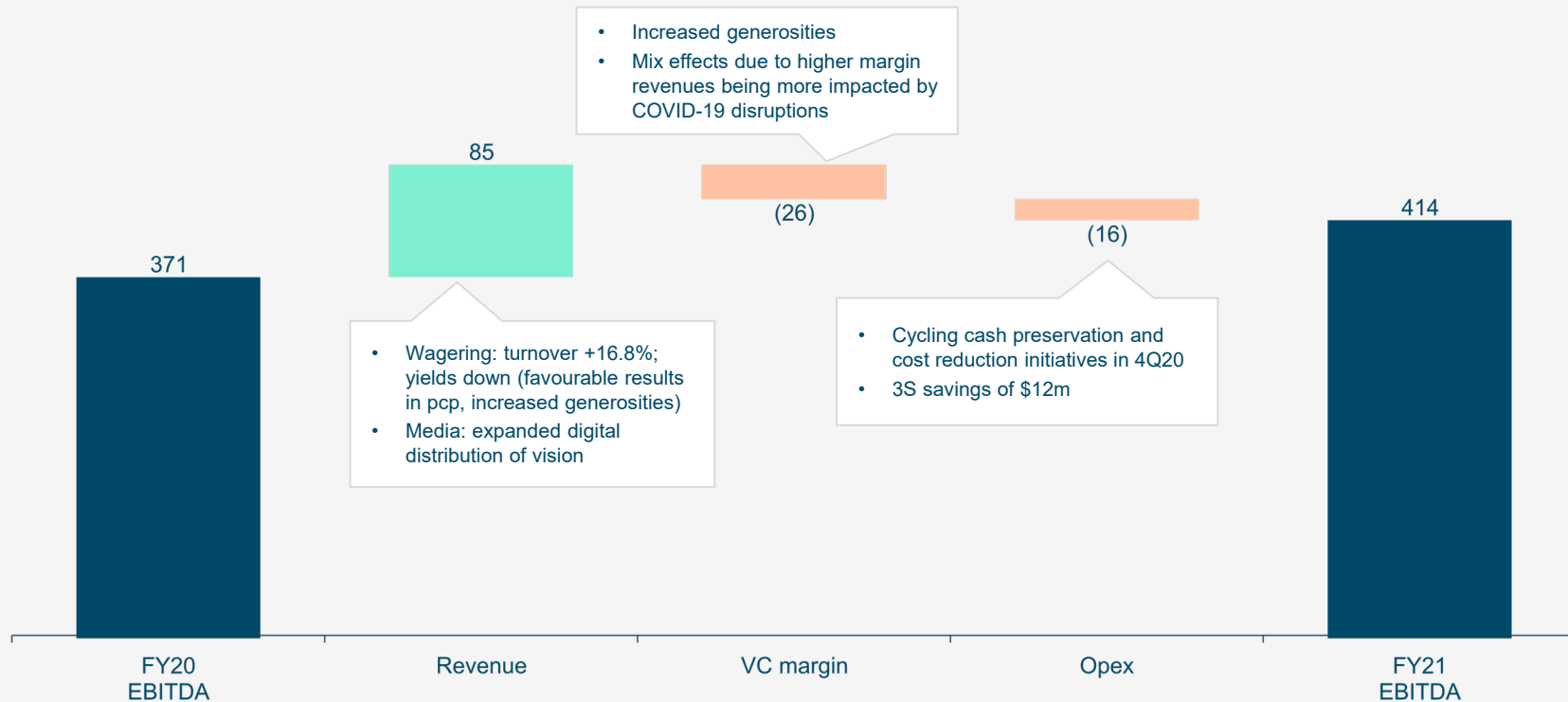
WAGERING & MEDIA RESULT HIGHLIGHTS

Improved underlying performance despite COVID-19 disruptions

Capability build has lifted competitiveness

Digital growth of 27%¹; resilient performance in retail venues when re-opening after lockdowns

\$M	FY21	FY20	Change
Revenues	2,298	2,084	10.3%
Variable contribution	884	825	7.2%
Operating expenses	(470)	(454)	3.5%
EBITDA	414	371	11.6%
D&A	(198)	(196)	1.0%
EBIT	216	175	23.4%
VC / Revenue %	38.5%	39.6%	(1.1%)
Opex / Revenue %	20.5%	21.8%	(1.3%)
EBITDA / Revenue %	18.0%	17.8%	0.2%



Notes:

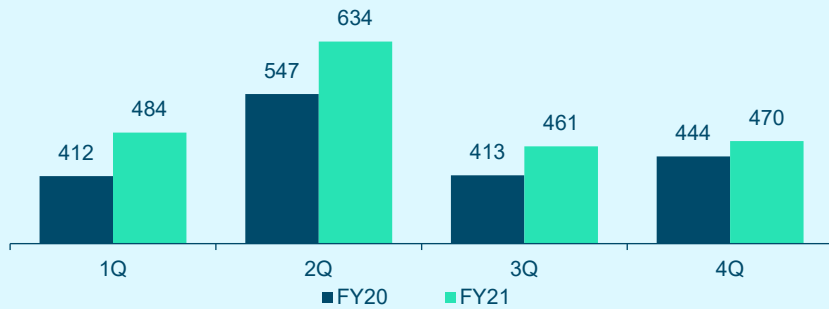
1. Digital includes digital and call centre channels in which a customer transacts using their account

WAGERING & MEDIA

KEY PERFORMANCE INDICATORS

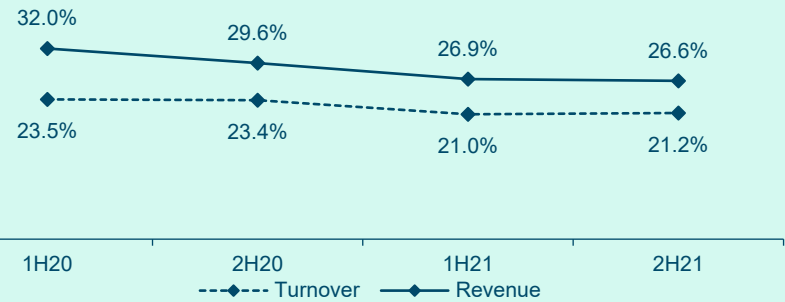
QUARTERLY ACTIVE USERS ('000)

Growth supported by improving digital experience (highest acquisition growth in 18 - 35 category)



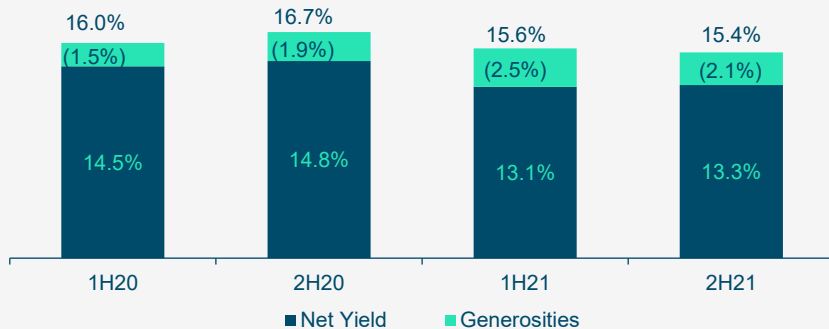
DIGITAL MARKET SHARE^{1,4}

2H21 share reflects improving digital capability and reduced disruption from COVID-19 related retail closures



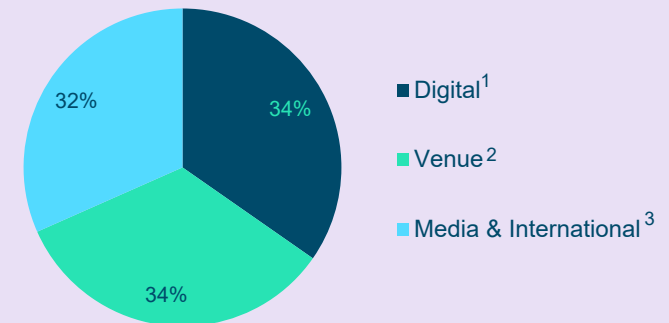
FIXED ODDS YIELDS

Normalisation of yields in 2H21 following elevated generosity in 1H21



VARIABLE CONTRIBUTION

Well diversified income streams

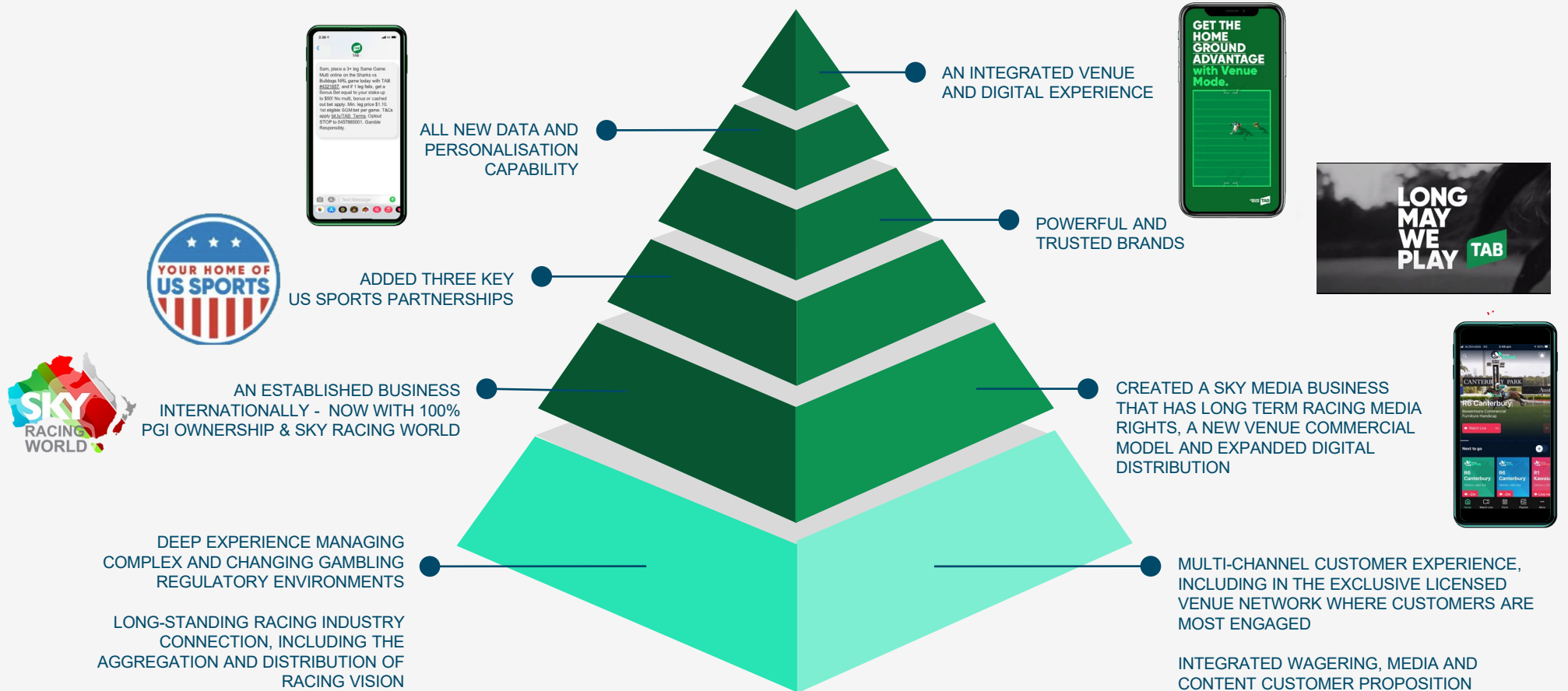


Notes:

- Digital includes digital and call centre channels in which a customer transacts using their account
- Venue includes retail and on course channels in which a customer transacts using cash
- Media & International includes PGI, export, Sky Racing World and domestic Media business
- Based on data supplied by industry partners which account for approximately one-third of the wagering market. All data is before generosity. Prior year estimates adjusted where necessary to reflect updated data and to align with current measurement methodology

WAGERING & MEDIA

WE HAVE BUILT THE FOUNDATIONS AND INVESTED IN CAPABILITY TO DRIVE FUTURE GROWTH



WAGERING & MEDIA

KEY GROWTH STRATEGIES

Growth to be underpinned by a unique and improved customer experience, domestic structural reform and targeted international expansion

CREATE THE BEST CUSTOMER EXPERIENCE ACROSS ALL CHANNELS



- Further enhancement of the TAB digital experience
- Unique customer experiences
 - Digital-in-venue
 - Vision and sports information innovation
 - Tote revitalisation
 - Product innovation
 - Live in-play
 - High-value customers

UNLEASH THE FULL POTENTIAL OF SKY



- New SKY brand and vision experience for racing and sport
- Unique vision in digital and retail
- New content and formats
- Enhance capability, creativity and value through all channels
- Expanded distribution channels and unique integration to TAB brand

STRUCTURAL REFORM AND TARGETED INTERNATIONAL EXPANSION



- Advocate for sustainable gambling regulation and licence reform to ensure long term industry sustainability
- Achieve regulatory simplification
- Targeted growth of the existing international businesses

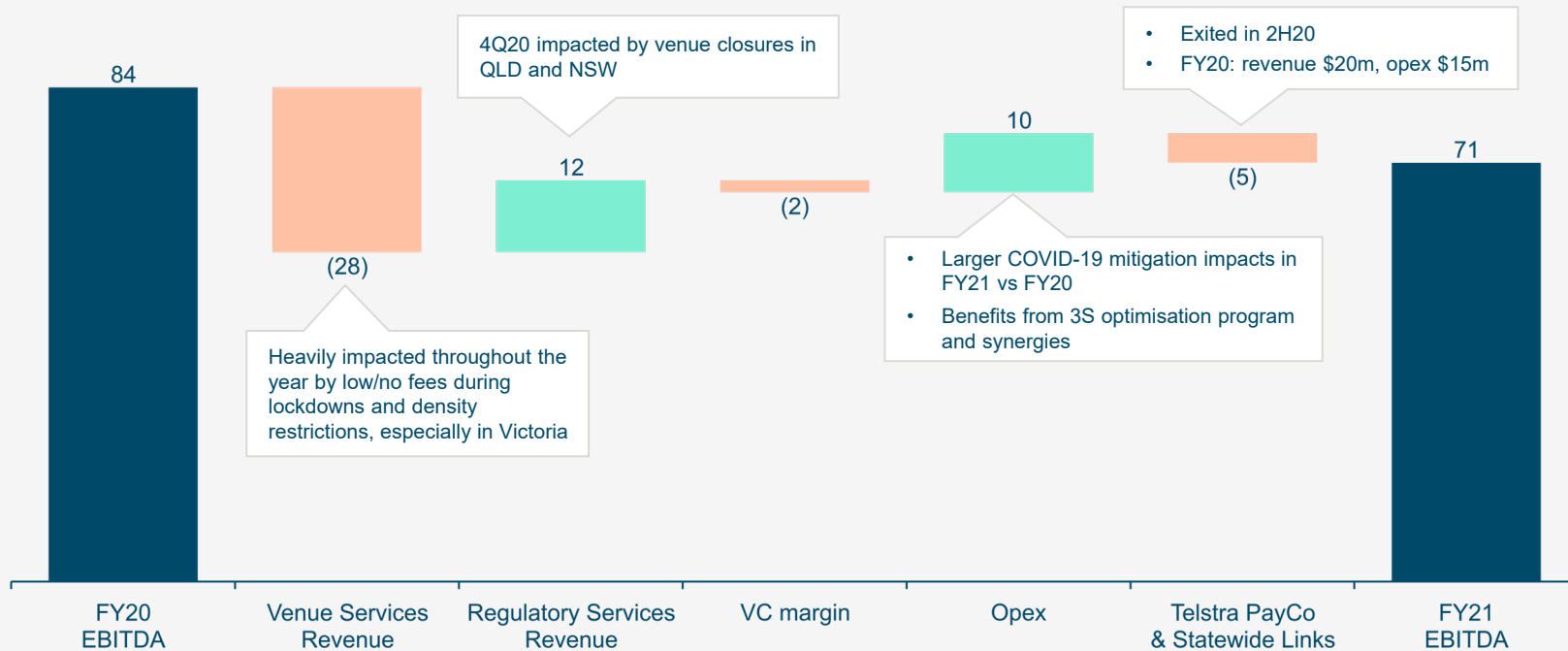
GAMING SERVICES RESULT HIGHLIGHTS

Continuing impacts from COVID-19 closures and other restrictions, especially for Venue Services; non-cash goodwill impairment of \$122m

Resilient performance from Regulatory Services (monitoring)

Business progressing with implementation of the plan to simplify and streamline the business, including a significant opex reduction

\$M	FY21	FY20	Change
Revenues	183	221	(17.2%)
Variable contribution	172	210	(18.1%)
Operating expenses	(101)	(126)	(19.8%)
EBITDA	71	84	(15.5%)
D&A	(81)	(98)	(17.3%)
EBIT	(10)	(14)	NM
VC / Revenue %	94.0%	95.0%	(1.0%)
Opex / Revenue %	55.2%	57.0%	(1.8%)
EBITDA / Revenue %	38.8%	38.0%	0.8%



GAMING SERVICES

KEY STRATEGIES

The focus is on executing the current plan to simplify the operating and business model, and streamline the operating cost base amidst continued COVID-19 disruptions

EXECUTE PLAN TO SIMPLIFY AND STREAMLINE THE BUSINESS



- Leaner management and simplified operating structure
- Develop and implement new products for core MAX Venue Services offer, targeting capex reductions
- Review and modify operating model of field services activities
- Streamline the product portfolio of the systems business
- Focus on core monitoring activity within MAX Regulatory Services

INVEST TO GROW THE CORE



- Pursue additional monitoring products and licences
- Pursue venue advisory opportunities
- Continue to grow data and analytics function and revenues
- Expand product portfolio via third party distribution partnerships

The image shows a close-up of the Tabcorp logo mounted on a blue wall. The letters are three-dimensional and metallic.A large, bold, black 3D logo of the word "Tabcorp" is mounted on a white wall.

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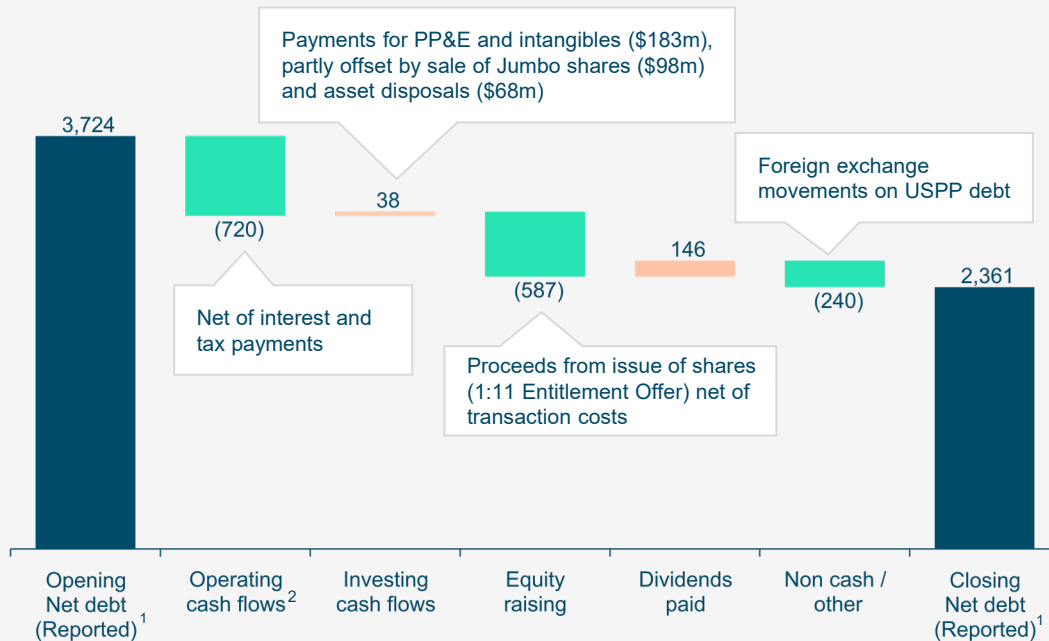
Appendices

CASH FLOW AND DEBT

Strong balance sheet and operating cash flow conversion

Net debt reduction enabled by strong operating cash flows and equity raising

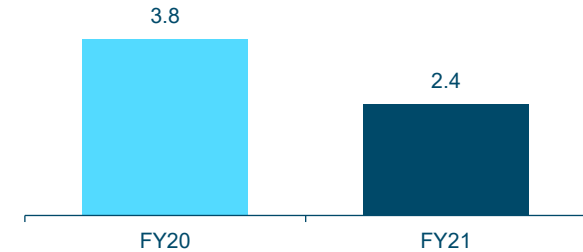
CASH FLOW (\$M)



KEY DEBT RATIOS

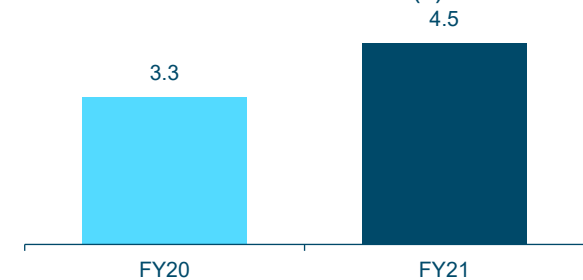
GEARING

Gross debt (economic)⁴ / EBITDA (x)



INTEREST COVER

EBIT⁵ / Net interest (x)



- EBITDA / operating cash flow conversion³ of 103% (FY20: 102%)
- Cash flows impacted by repayment of deferred Lotteries taxes (net \$114m) and prize reserve levels

Notes:

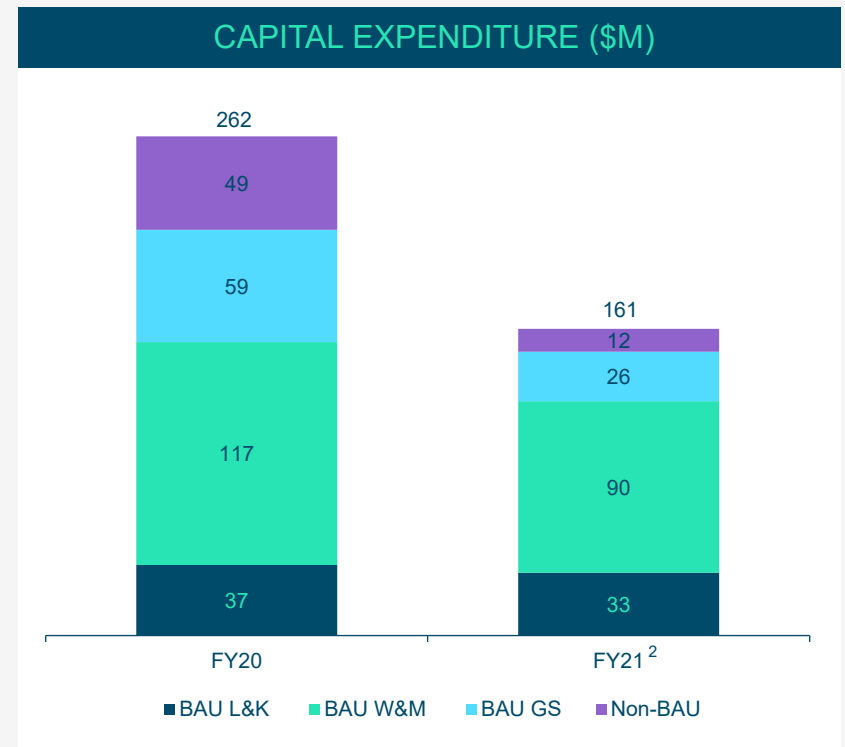
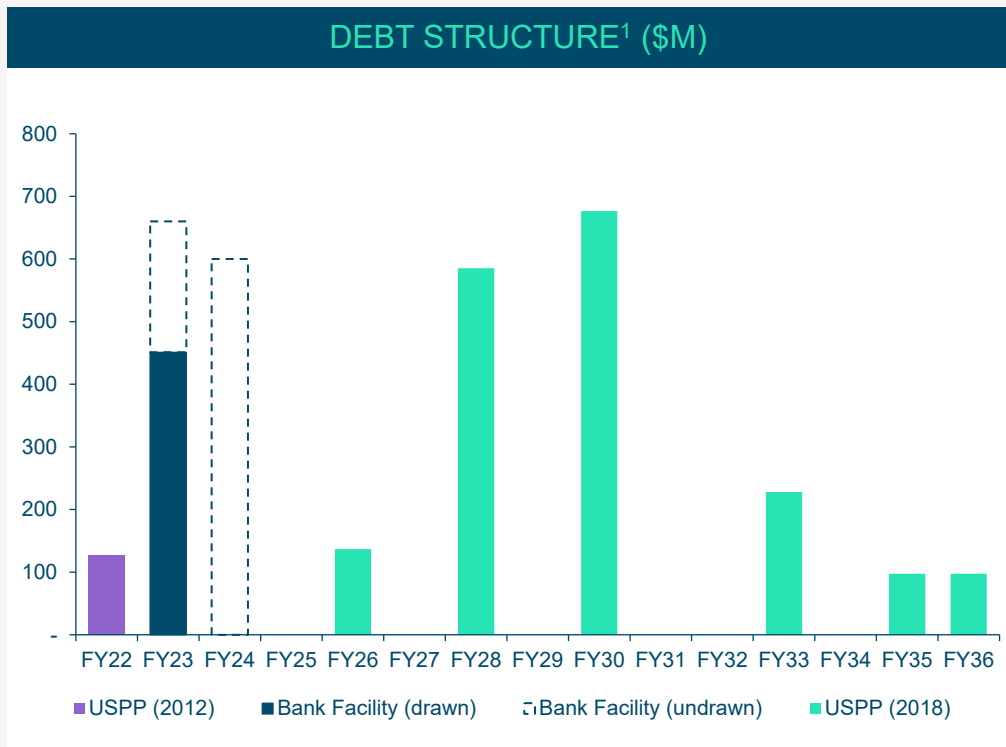
1. Net debt (reported) includes lease liability of \$309m (FY20: \$353m)
2. Includes cash outflows of \$68m relating to significant items (FY20: \$46m)
3. Excludes significant items
4. Includes USPP debt at the A\$ principal repayment under cross currency swaps
5. EBIT excludes amortisation of the Victorian wagering and betting licence

DEBT STRUCTURE AND CAPITAL EXPENDITURE

Long-dated USPP debt intended to be allocated to Lotteries & Keno; bank debt provides shorter term flexibility

Over \$900m of unused bank facilities at year end

Capex reduction reflects completion of integration and disciplined BAU spend in a COVID-19 impacted environment



Notes:

1. Excludes \$100m overdraft facility maturing in February 2022
2. Non-BAU capex: integration, data centre consolidation



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TRADING UPDATE

COVID-19 IMPACT ON JULY 2021 RESULT

COVID-19 restrictions had a significant impact on results in July¹

Full year impacts are dependent on the length and nature of restrictions

LOTTERIES & KENO

Revenue impact: negligible

- Marginally positive impact on Lotteries
- Keno adversely impacted by retail closures in NSW
 - Victorian lockdown impacts largely offset by digital growth

WAGERING & MEDIA

Revenue impact: c.\$30m-\$40m

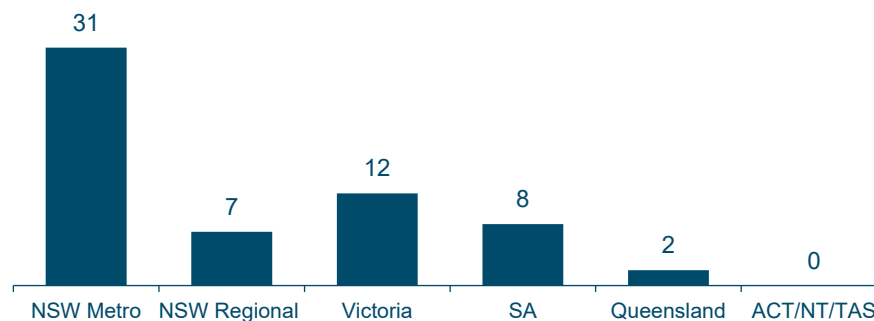
- Wagering and Media revenue adversely impacted by retail closures, especially in NSW and Victoria, partly offset by some transfer to digital

GAMING SERVICES

Revenue impact: c.\$5m-\$10m

- Venue closures, particularly in Victoria and Metro NSW where the vast majority of customers are located, continued to adversely impact revenues
- Still providing fee relief to closed venues

NUMBER OF LOST DAYS IN RETAIL VENUES: JULY 2021²



Notes:

1. The information above is for a single month and is provided for information purposes only. Particularly given the extraordinary current situation pertaining to COVID-19, it should not be considered indicative of future performance. For further information on forward looking statements please refer to the disclaimer at the end of this presentation. Amounts derived from unaudited monthly management accounts. Estimated impact is measured relative to the revenue expected if there had been no lost days in retail venues in the month.
2. Pubs, clubs and agencies regarding Keno, Wagering & Media, and Gaming Services venues

DEMERGER UPDATE

The proposed demerger¹ is expected to unlock significant value and be implemented no later than June 2022

Next demerger update to be provided at October AGM

Detailed planning & preliminary execution phase
(Jul 2021 – Sep 2021)

Key workstreams

- Legal structuring and regulatory approvals pathway
- Stakeholder engagement and approvals
- Organisational design planning
- Technology and systems separation roadmap
- Transitional and commercial agreements strategy

Execution phase
(Jul 2021 – Jun 2022)

Key workstreams

- Scheme of arrangement process
- Continued stakeholder and regulatory engagement to secure necessary approvals
- Organisational design and key appointments
- Technology and operational separation delivery
- Transitional and commercial arrangements operational



KEY EVENTS²

5 Jul

Demerger announcement

18 Aug

FY21 results release

19 Oct

AGM

Feb

1H22 results release

Apr

First court hearing and scheme booklet dispatched

May

Demerger scheme meeting
Second court hearing

May/Jun

Demerger completion

2021

2022

Notes:

1. Demerger subject to shareholder, court, regulatory and other approvals
2. Dates are indicative only and subject to change

CONCLUSION

Strong operational result in a year heavily impacted by COVID-19

- Lotteries & Keno: Record profit result (despite below average jackpots)
- Wagering & Media: Improved performance and growth across TAB, Media and International
- Gaming Services: Progressing with implementation of the plan to simplify and streamline the business

The proposed demerger is expected to enable two market-leading businesses to operate independently with focused management, optimise their capital structures and to trade at market values which reflect their individual characteristics

Lotteries & KenoCo



Lotteries & KenoCo is one of the highest performing Lotteries businesses globally and offers infrastructure-like qualities, with low capital intensity and upside from continuing digital growth

Wagering & GamingCo



Wagering & GamingCo has national scale and reach, a unique omni-channel offering, organic growth options, and potential upside from future domestic structural reform and further international expansion



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1. SIGNIFICANT ITEMS

GOODWILL IMPAIRMENT

- Non-cash impairment of Gaming Services goodwill reflects reduced expectations for future growth and contract extensions, particularly due to the ongoing COVID-19 impacts.

AMENDED TAX ASSESSMENT RE MAX CMS LICENCE¹

- Tabcorp received an amended tax assessment for the 2016 taxation year regarding the tax treatment of licence fees in relation to monitoring gaming machines in New South Wales. The amended assessment was for \$71m, including \$9m (\$7m after tax) in Australian Taxation Office imposed interest. Tabcorp lodged an objection with the ATO and disclosed a contingent asset in the Financial Statements. A Notice of Decision was issued in June 2021 disallowing the objection. Tabcorp intends to appeal this decision.

JUMBO PROFIT ON SALE

- Tabcorp sold its shareholding in Jumbo Interactive and recognised a profit after tax on the sale of \$69m.

PGI - REVALUATION

- Tabcorp purchased the remaining 50% interest in Premier Gateway International Limited (PGI) in February 2021. The original shareholding required re-measurement under AASB 3 'Business Combinations' resulting in an accounting gain of \$35m.

TATTS GROUP COMBINATION IMPLEMENTATION COSTS

- Tabcorp/Tatts merger activities are now complete with \$14m of implementation costs incurred during FY21. Total implementation costs of \$123m pre tax (or \$86m after tax) were incurred across the program, below previous market guidance of \$130m pre tax.

RESTRUCTURE COSTS (3S)

- Restructure costs in relation to initiatives identified as part of the 3S optimisation program.

RACING QUEENSLAND ARRANGEMENTS²

- Tabcorp guaranteed minimum fees that RQ will receive under the deed of understanding with UBET Queensland in each calendar year from 2018 to 2020 inclusive. A top up payment expense of \$11m (after tax) was recorded in respect of 1H21, being the top up payment required to meet the minimum fee obligation for the final term of the agreement to 31 December 2020.

STRATEGIC REVIEW COSTS

- Costs in relation to the strategic review resulting in the intention to demerge as announced on 5 July 2021.

PROPERTY (NET)

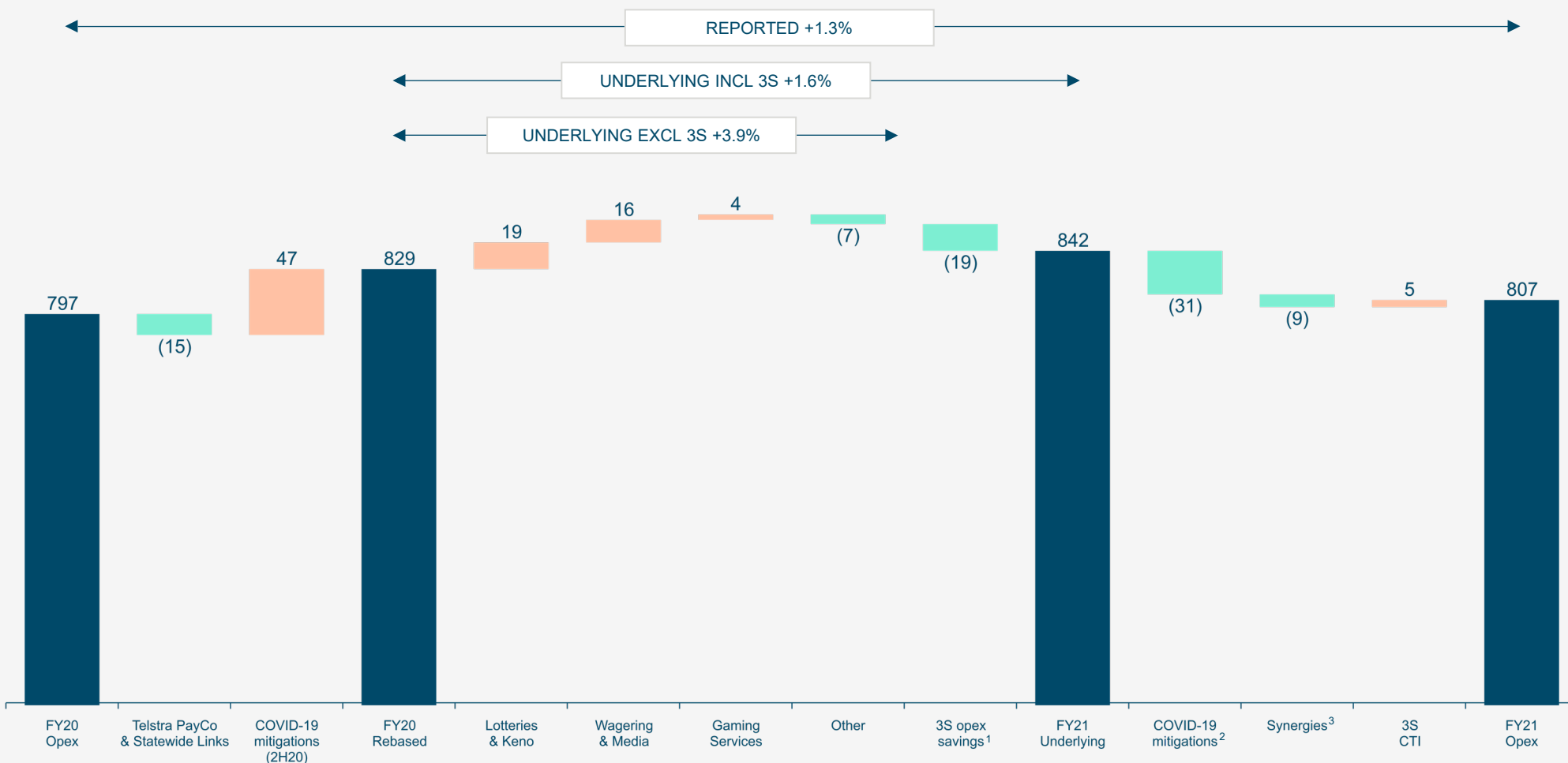
- Tabcorp continues to review its property footprint and during the year successfully completed the sale of the surplus Albion property. In addition, a further review of the property portfolio identified surplus floorspace which required an impairment of the associated lease asset.

\$M	FY21
Goodwill impairment	(122)
Amended tax assessment - MAX CMS Licence	(69)
Jumbo profit on sale	69
PGI - revaluation	35
Tatts Group combination implementation costs	(14)
Restructure costs (3S)	(12)
Racing Queensland arrangements	(11)
Strategic review costs	(4)
Property (net)	(2)
Total significant items (after tax)	(130)

Notes:

- Refer Note E4 in the Financial Statements for the year ended 30 June 2021
- In the event Tabcorp is ultimately unsuccessful in the current dispute with Racing Queensland, further payments may need to be made by the Group. Refer to ASX Announcements dated 28 June 2019 and 24 July 2019 and Note E4 in the Financial Statements for the year ended 30 June 2021

2. GROUP OPERATING EXPENSES



Notes:

1. FY21 3S opex savings of \$19m (Lotteries & Keno \$1m, Wagering & Media \$12m, Gaming Services \$6m)
2. FY21 COVID-19 cost mitigations of \$31m (Lotteries & Keno \$5m, Wagering & Media \$8m, Gaming Services \$18m)
3. FY21 incremental synergies vs pcp of \$9m (Lotteries & Keno \$4m, Wagering & Media \$4m, Gaming Services \$1m)

3A. GROUP RESULTS

\$M	1H21	1H20	Change	2H21	2H20	Change	FY21	FY20	Change
Revenues	2,870	2,914	(1.5%)	2,816	2,310	21.9%	5,686	5,224	8.8%
Variable contribution	951	1,027	(7.4%)	963	765	25.9%	1,914	1,792	6.8%
Operating expenses	(391)	(430)	(9.1%)	(416)	(367)	13.4%	(807)	(797)	1.3%
EBITDA before significant items	560	597	(6.2%)	547	398	37.4%	1,107	995	11.3%
D&A	(188)	(193)	(2.6%)	(195)	(206)	(5.3%)	(383)	(399)	(4.0%)
EBIT before significant items	372	404	(7.9%)	352	192	83.3%	724	596	21.5%
Interest	(82)	(94)	(12.8%)	(73)	(99)	(26.3%)	(155)	(193)	(19.7%)
Tax expense	(83)	(96)	(13.5%)	(87)	(36)	>100.0%	(170)	(132)	28.8%
NPAT before significant items	207	214	(3.3%)	192	57	>100.0%	399	271	47.2%
Significant items (after tax) - goodwill impairment	-	-	-	(122)	(1,090)	NM	(122)	(1,090)	NM
Significant items (after tax) - other	(22)	(15)	46.7%	14	(36)	NM	(8)	(51)	NM
Statutory NPAT	185	199	(7.0%)	84	(1,069)	NM	269	(870)	NM
VC / Revenue %	33.1%	35.2%	(2.1%)	34.2%	33.1%	1.1%	33.7%	34.3%	(0.6%)
Opex / Revenue %	13.6%	14.8%	(1.2%)	14.8%	15.9%	(1.1%)	14.2%	15.3%	(1.1%)
EBITDA / Revenue %	19.5%	20.5%	(1.0%)	19.4%	17.2%	2.2%	19.5%	19.0%	0.5%
EBIT / Revenue %	13.0%	13.9%	(0.9%)	12.5%	8.3%	4.2%	12.7%	11.4%	1.3%

3B. LOTTERIES & KENO RESULTS¹

\$M	1H21	1H20	Change	2H21	2H20	Change	FY21	FY20	Change
Lotteries Revenues	1,477	1,467	0.7%	1,474	1,259	17.1%	2,951	2,726	8.3%
Keno Revenues	132	117	12.8%	123	74	66.2%	255	191	33.5%
Revenues	1,609	1,584	1.6%	1,597	1,333	19.8%	3,206	2,917	9.9%
Lotteries Variable contribution	354	344	2.9%	365	303	20.5%	719	647	11.1%
Keno Variable contribution	73	66	10.6%	66	41	61.0%	139	107	29.9%
Variable contribution	427	410	4.1%	431	344	25.3%	858	754	13.8%
Operating expenses	(116)	(115)	0.9%	(122)	(97)	25.8%	(238)	(212)	12.3%
EBITDA	311	295	5.4%	309	247	25.1%	620	542	14.4%
D&A	(53)	(49)	8.2%	(51)	(51)	0.0%	(104)	(100)	4.0%
EBIT	258	246	4.9%	258	196	31.6%	516	442	16.7%
Lotteries VC / Revenue %	24.0%	23.4%	0.6%	24.8%	24.1%	0.7%	24.4%	23.7%	0.7%
Keno VC / Revenue %	55.3%	56.4%	(1.1%)	53.7%	55.4%	(1.7%)	54.5%	56.0%	(1.5%)
VC / Revenue %	26.5%	25.9%	0.6%	27.0%	25.8%	1.2%	26.8%	25.8%	1.0%
Opex / Revenue %	7.2%	7.3%	(0.1%)	7.6%	7.3%	0.3%	7.4%	7.3%	0.1%
EBITDA / Revenue %	19.3%	18.6%	0.7%	19.3%	18.5%	0.8%	19.3%	18.6%	0.7%
EBIT / Revenue %	16.0%	15.5%	0.5%	16.2%	14.7%	1.5%	16.1%	15.2%	0.9%

Notes:

1. Instant Scratch-It inventory costs have been restated in FY20 and 1H21 from operating expenses to Cost of Goods Sold (within variable contribution)

3C. WAGERING & MEDIA RESULTS

\$M	1H21	1H20	Change	2H21	2H20	Change	FY21	FY20	Change
Revenues	1,189	1,180	0.8%	1,109	904	22.7%	2,298	2,084	10.3%
Variable contribution	458	473	(3.2%)	426	352	21.0%	884	825	7.2%
Operating expenses	(231)	(239)	(3.3%)	(239)	(215)	11.2%	(470)	(454)	3.5%
EBITDA	227	234	(3.0%)	187	137	36.5%	414	371	11.6%
D&A	(95)	(95)	0.0%	(103)	(101)	2.0%	(198)	(196)	1.0%
EBIT	132	139	(5.0%)	84	36	>100.0%	216	175	23.4%
VC / Revenue %	38.5%	40.1%	(1.6%)	38.4%	38.9%	(0.5%)	38.5%	39.6%	(1.1%)
Opex / Revenue %	19.4%	20.3%	(0.9%)	21.6%	23.8%	(2.2%)	20.5%	21.8%	(1.3%)
EBITDA / Revenue %	19.1%	19.8%	(0.7%)	16.9%	15.2%	1.7%	18.0%	17.8%	0.2%
EBIT / Revenue %	11.1%	11.8%	(0.7%)	7.6%	4.0%	3.6%	9.4%	8.4%	1.0%

3D. GAMING SERVICES RESULTS

\$M	1H21	1H20	Change	2H21	2H20	Change	FY21	FY20	Change
MAX Venue Services	33	102	(67.6%)	66	48	37.5%	99	150	(34.0%)
MAX Regulatory Services	40	47	(14.9%)	44	24	83.3%	84	71	18.3%
Revenues	73	149	(51.0%)	110	72	52.8%	183	221	(17.2%)
Variable contribution	66	142	(53.5%)	106	68	55.9%	172	210	(18.1%)
Operating expenses	(44)	(76)	(42.1%)	(57)	(50)	14.0%	(101)	(126)	(19.8%)
EBITDA	22	66	(66.7%)	49	18	>100.0%	71	84	(15.5%)
D&A	(40)	(45)	(11.1%)	(41)	(53)	(22.6%)	(81)	(98)	(17.3%)
EBIT	(18)	21	NM	8	(35)	NM	(10)	(14)	NM
VC / Revenue %	90.4%	95.3%	(4.9%)	96.4%	94.4%	2.0%	94.0%	95.0%	(1.0%)
Opex / Revenue %	60.3%	51.0%	9.3%	51.8%	69.4%	(17.6%)	55.2%	57.0%	(1.8%)
EBITDA / Revenue %	30.1%	44.3%	(14.2%)	44.5%	25.0%	19.5%	38.8%	38.0%	0.8%
EBIT / Revenue %	(24.7%)	14.1%	(38.8%)	7.3%	(48.6%)	55.9%	(5.5%)	(6.3%)	0.8%

4. BALANCE SHEET

\$M	Jun-21	Jun-20	Change
Total current assets	898	727	23.5%
Licences	2,041	2,148	(5.0%)
Other intangible assets	8,056	8,134	(1.0%)
Property, plant and equipment	376	456	(17.5%)
Other non current assets	498	951	(47.6%)
Total assets	11,869	12,416	(4.4%)
Total liabilities	5,173	6,389	(19.0%)
Shareholders' funds	6,696	6,027	11.1%
Net debt (reported) ¹	2,361	3,724	(36.6%)
Net debt (economic) ²	2,284	3,399	(32.8%)
Shares on issue (m)	2,222	2,032	9.4%
Key debt ratios			
Gross debt (economic) ² / EBITDA (x)	2.4	3.8	
EBIT ³ / Net interest (x)	4.5	3.3	

Notes:

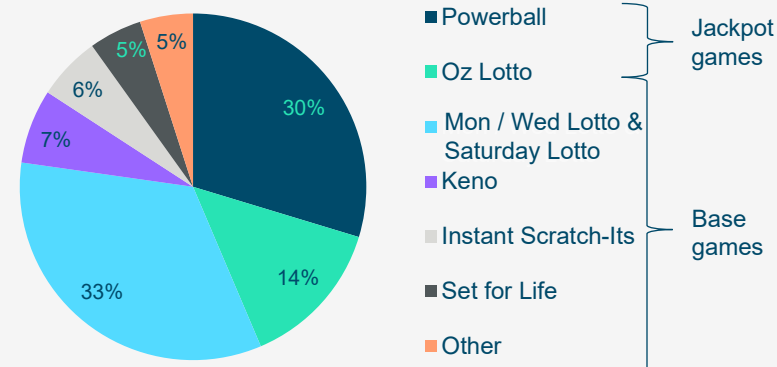
1. Net debt (reported) includes lease liability of \$309m (FY20: \$353m)
2. Includes USPP debt at the A\$ principal repayment under cross currency swaps
3. EBIT excludes amortisation of the Victorian wagering and betting licence

5. ADDITIONAL KPIs

WAGERING & MEDIA

	FY21	FY20	Change
Turnover by distribution (\$m)¹			
Retail	5,305	5,354	(0.9%)
Digital	9,097	7,067	28.7%
Call Centre	384	391	(1.8%)
Other ²	1,659	1,267	30.9%
Total	16,445	14,079	16.8%
Revenue by product (\$m)¹			
Totalisator	1,072	1,026	4.5%
Fixed Odds	977	911	7.2%
Total Racing	2,049	1,937	5.8%
Sport	242	193	25.4%
Trackside	53	55	(3.6%)
Total	2,344	2,185	7.3%
Fixed Odds Yields			
Gross Yield	15.5%	16.4%	(0.9%)
Generosities	(2.3%)	(1.7%)	(0.6%)
Net Yield	13.2%	14.7%	(1.5%)
Net Racing Yield	14.3%	15.6%	(1.3%)
Net Sports Yield	10.0%	11.4%	(1.4%)
Other KPIs			
Wagering active customers ³	784,000	715,000	9.7%
Digital-in-venue turnover (\$m)	530	350	51.4%
Retail turnover from SST (%)	62.3%	59.8%	+2.5%
Sky Racing Active registered customers ⁴	59,000	38,000	55.3%
Sky venue subscriptions (#)	4,911	4,901	0.2%
Sky races broadcast (#)	140,168	123,719	13.3%

LOTTERIES & KENO: REVENUE BY PRODUCT



GAMING SERVICES

MAX VENUE SERVICES

Contracted EGMs	Jun-21	Jun-20	Change
Victoria	7,980	8,230	(250)
NSW	530	1,930	(1,400)
Total	8,510	10,160	(1,650)

MAX REGULATORY SERVICES

Monitored EGMs	Jun-21	Jun-20	Change
NSW	90,700	92,840	(2,140)
Queensland	29,860	31,180	(1,320)
NT	1,450	1,450	-
Total	122,010	125,470	(3,460)

Notes:

1. Combined Wagering results only (excluding Media). TAB turnover and TAB revenue includes Victorian Racing Industry interest
2. Other turnover comprises On-course, Premium Customers and PGI
3. Wagering active digital customers measured on a rolling 12 month basis. For comparability, prior period data adjusted to exclude duplication between TAB and ex UBET customers
4. Reflects life to date Sky Racing Active registered customers

6. GLOSSARY

TERM	DEFINITION	TERM	DEFINITION
1H/2H	Six months ended 31 December/30 June of the relevant financial year	IFRS	International Financial Reporting Standards
1Q/2Q/3Q/4Q	Three months ended 30 September/31 December/31 March/30 June of the relevant financial year	Keno	A game of chance that is played approximately every three minutes and part of the Group's Lotteries and Keno business
3S	Optimisation program - Simpler, Smarter & Stronger	Lotteries and Keno (L&K)	The Group's business that operates lotteries and Keno, which are games of chance
AAS	Australian Accounting Standards	MAX	The Group's Gaming Services brand
ACT	Australian Capital Territory	NM	Not meaningful
ASIC	Australian Securities and Investments Commission	NPAT	Net Profit After Tax
ASX	Australian Securities Exchange	OPEX	Net operating expenses
BAU	Business as Usual	PCP	Prior Corresponding Period
Combination	The Tabcorp-Tatts combination which was implemented in December 2017	PGI	Premier Gateway International Limited
CRM	Customer Relationship Management	POCT	Point of Consumption Tax
D&A	Depreciation, Amortisation and impairment	ROIC	Return on invested capital (refer Slide 6 for definition)
DPS	Dividends Per Share	RQ	Racing Queensland
EBIT	Earnings Before Interest and Tax	Sky Racing	Part of the Group's Media business, broadcasting racing and sport throughout Australia and internationally
EBITDA	Earnings Before Interest, Tax, Depreciation, Amortisation and impairment	TAB	The Group's wagering brand
EGM	Electronic Gaming Machine	UBET	The part of the Group's wagering business acquired as part of the Combination
EPS	Earnings Per Share	Tatts or Tatts Group	Tatts Group Limited (ABN 19 108 686 040) which was acquired by Tabcorp Holdings Limited in December 2017
Financial year / FY	The Group's financial year is 1 July to 30 June	The Lott	Umbrella brand for the entire lotteries business
GAAP	Generally accepted accounting principles	USPP	US Private Placement
Gaming Services (GS)	The Group's business that provides services to licensed gaming venues and EGM monitoring services	VC	Variable Contribution
Group	The Tabcorp group of companies	Wagering and Media (W&M)	The Group's business that operates fixed odds and pari-mutuel betting products and services on racing, sport and novelty products, and racing and sports broadcasting

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