

ASX Announcement

22 December 2017



TattsGroup

Tatts Bonds Change of Control Event Notification

Attached is a letter which will be distributed to Tatts Bonds holders providing notice that a Change of Control Event has occurred following implementation of the scheme of arrangement between Tatts Group Limited and Tabcorp Holdings Limited.

For personal use only



TattsGroup

Australian Executor Trustees Limited
207 Kent Street
Sydney NSW 2000
Attention: Corporate Trust

22 December 2017

copies to:

Australian Securities Exchange (ASX)
Computershare Investor Services Pty Limited
Holders of Tatts Bonds

Dear Sir / Madam

Private and Confidential

Change of Control Event Notification

We refer to the trust deed dated 28 May 2012 between Tatts Group Limited ABN 19 108 686 040 (**Tatts**), Australian Executor Trustees Limited (**Trustee**) and the initial guarantors listed in that document (**Trust Deed**), and the terms of the Tatts Bonds set out in Schedule 1 of the Trust Deed (**Terms**).

Unless otherwise defined, capitalised words used in this notice have the meanings given to them in the Trust Deed.

Change of Control Event (the acquisition of all the shares in Tatts by Tabcorp Holdings Limited pursuant to the scheme of arrangement)

On 19 October 2016 Tabcorp Holdings Limited ABN 66 063 780 709 (**Tabcorp**) and Tatts announced that they had reached an agreement to combine the two companies by way of a Tatts scheme of arrangement under Part 5.1 of the *Corporations Act 2001*(Cth), under which all Tatts ordinary shares were to be acquired by Tabcorp (**Scheme**). We note that the Scheme was implemented on 22 December 2017, and accordingly Tatts has now become a wholly-owned subsidiary of Tabcorp.

In accordance with clause 3.4 of the Terms, Tatts hereby gives notice to the Trustee, the Australian Securities Exchange, the Tatts Bonds registry and holders of Tatts Bonds that a Change of Control Event has occurred.

Entitlement to require Redemption of Tatts Bonds

Holders of Tatts Bonds are entitled to require Redemption of their Tatts Bonds, as a result of the occurrence of the Change of Control Event.

Entitlement to retain Tatts Bonds

Holders of Tatts Bonds are also entitled to retain their Tatts Bonds, in which case no further action is required and the Tatts Bonds will continue until maturity.

Information required by Terms

In accordance with the Terms, holders of Tatts Bonds are hereby informed that:

- (a) they may require the Issuer to Redeem each Tatts Bond they are the Holder of for an amount of equal to the aggregate of the Face Value of a Tatts Bond (being \$100), together with accrued unpaid interest up to (but excluding) the Change of Control Event Redemption Date (which is 22 February 2018). The total amount payable on Redemption cannot be calculated at this time, because the relevant interest rate applicable to the Redemption payment will be calculated on 5 January 2018, when the next quarterly interest period commences. As a point of reference, the quarterly interest amount payable for the current quarterly period ending on 5 January 2018 is \$1.2111 per Tatts Bond;
- (b) the closing price of the Tatts Bonds on ASX on 21 December 2017, being the date immediately prior to the Change of Control Event was **\$103.53**;

- (c) the Change of Control Event Redemption Exercise Notice is enclosed with this letter; and
- (d) 24 January 2018 is the last day of the Change of Control Event Redemption Period.

In relation to the Change of Control Event (being the acquisition of Tatts by Tabcorp pursuant to the Scheme), Tatts has issued various materials to its shareholders and the ASX.

These materials include a detailed explanatory statement (including a report prepared by an independent expert) which set out the details of the Scheme and matters relevant to the vote by Tatts shareholders on the resolution to approve the Scheme (**Scheme Booklet**) as well as supplementary disclosure materials to the Scheme Booklet (**Supplementary Scheme Booklet**).

The Scheme Booklet and the Supplementary Scheme Booklet contain detailed information (including financial information) about Tabcorp following the acquisition of Tatts. You are encouraged to read the Scheme Booklet and the Supplementary Scheme Booklet.

The Scheme Booklet is available at: www.tattsgroup.com/investor-relations/asx-releases-news-updates

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You should note however that these materials were prepared for the holders of Tatts ordinary shares, and so may contain information that is not relevant to the Tatts Bonds.

To exercise an Entitlement to require Redemption of Tatts Bonds

Holders of Tatts Bonds wishing to Redeem their Tatts Bonds can do this by:

- completing and signing the Change of Control Event Redemption Exercise Notice attached to this notification; and
- returning it to Computershare Investor Services Pty Limited by no later than 24 January 2018 (being the last day of the Change of Control Event Redemption Period).

If a holder of Tatts Bonds validly completes and returns their Change of Control Event Redemption Exercise Notice then the Issuer must Redeem all Tatts Bonds the subject of the holder's Change of Control Event Redemption Exercise Notice on the Change of Control Event Redemption Date (which is 22 February 2018). Payments which are the subject of the Redemption will be made to relevant Bond Holders on this date and using the banking instructions recorded on the Tatts Bonds register or by cheque.

You should note that, in accordance with the Terms, any notice of Redemption is irrevocable.

To retain Tatts Bonds

Holders of Tatts Bonds wishing to retain their Tatts Bonds do not need to take any further action.

If you are in any doubt as to how to deal with this notice, please consult your legal, investment, tax or other professional adviser immediately.

Yours sincerely

Fiona Mead
Company Secretary
Tatts Group Limited

For all enquiries:

Phone:
 (within Australia) 1300 367 346
 (outside Australia) +61 3 9415 4199

TTS
 MR SAM SAMPLE
 UNIT 123
 SAMPLE STREET
 SAMPLETOWN NSW 2001

**Holder Identification Number (HIN) or
 Securityholder Reference Number (SRN)**

X 2222222222 I ND

Instructions to redeem your Tatts Bonds

STEP 1 Change of Control Event Redemption Exercise Notice

In relation to the Change of Control Event (being the acquisition of Tatts Group Limited by Tabcorp Holdings Limited pursuant to the Scheme), I/we hereby give notice to exercise my Entitlement to require Redemption of all my Tatts Bonds.

STEP 2 Contact Details

Please provide your contact details in case we need to speak to you about this form.

Name of contact person

Contact person's daytime telephone number

STEP 3 This section must be signed for your instruction to be executed.

I/We authorise you to act in accordance with my/our instructions set out above. I/We acknowledge that these instructions supersede and have priority over all previous instructions in respect to my/our Tatts Bonds. In accordance with the terms of Tatts Bonds Prospectus, a holder must not deal, transfer, dispose of or encumber any Tatts Bonds the subject of a Redemption Notice once that Redemption Notice has been given.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary/
 Sole Director (cross out titles as applicable)

Director

Director/Company Secretary
 (cross out titles as applicable)

Note: When signed under Power of Attorney, the attorney states that they have not received a notice of revocation. Computershare Investor Services Pty Limited needs to sight a certified copy of the Power of Attorney.

Change of Control Event Redemption Entitlement Exercise Notice must be received by Computershare by no later than 24 January 2018. Please return the completed form in the enclosed envelope to the address below:

Computershare Investor Services Pty Limited
 GPO Box 52
 Melbourne Victoria 3001
 Australia

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For personal use only

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited ("CIS") for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. We may also use your personal information to send you marketing material approved by Tatts Group Limited. You may elect not to receive marketing material by contacting CIS using the details provided on the front of this form or by emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to Tatts Group Limited or to third parties upon direction by Tatts Group Limited where related to the administration of your securityholding or as otherwise required or permitted by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.