

IN THE AUSTRALIAN COMPETITION TRIBUNAL

ACT of 2017

Re: Proposed acquisition of Tatts Group Limited by Tabcorp Holdings Limited

Tatts Group Limited (Intervener)

Statement of: **Anne Tucker**

Address: 87 Ipswich Road, Woolloongabba, Queensland

Occupation: General Counsel and Company Secretary

Date: 9 March 2017

Filed on behalf of: Tatts Group Limited (Intervener)
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On 9 March 2017, I, ANNE TUCKER of 87 Ipswich Road, Woolloongabba, Queensland, General Counsel and Company Secretary, say:

1. I am the General Counsel and Company Secretary of Tatts Group Limited, ACN 108 686 040 (**Tatts**).
2. This statement is made in support of an application by Tabcorp Holdings Limited (**Tabcorp**) to the Australian Competition Tribunal (**the Tribunal**) for authorisation of the merger of Tatts and Tabcorp.
3. Exhibited to me at the time of making this statement and marked "Exhibit AT-1" is a bundle of the documents. Exhibited to me at the time of making this statement are two further bundle of documents marked "Confidential Exhibit AT-2" and "Highly Confidential Exhibit AT-3". Tatts claims confidentiality over Confidential Exhibit AT-2 and Highly Confidential Exhibit AT-3.
4. Where in this statement I refer to documents, I refer to them by reference to their unique document number beginning with a "TAT" prefix. I have reviewed those documents prior to signing this statement.
5. Set out in this statement are matters based on my knowledge and experience as General Counsel and Company Secretary of Tatts. I have also made enquiries of relevant Tatts' books and records.

A. EXPERIENCE AND EMPLOYMENT HISTORY

6. Since July 2013 I have been employed as General Counsel and Company Secretary for Tatts.
7. Prior to this appointment, I was employed as a Solicitor at Clayton Utz between 2000 and 2002, and as a Legal and Compliance Counsel at UNITAB from June 2005 until its merger with Tatts in 2006, and as a Senior Corporate Solicitor with Tatts from October 2006 where I continued in that role until 2013.
8. I hold a Bachelor of Laws with Honours and a Bachelor of Commerce granted by the University of Queensland. I am also an associate of the Institute of Chartered Secretaries.

B. OVERVIEW OF TATTS

9. The full company name and ACN of Tatts is Tatts Group Limited ACN 108 686 040. Tatts' registered address is 87 Ipswich Road, Woolloongabba, Queensland, 4102. Tatts is incorporated in Victoria.

10. A copy of the Annual Report for Tatts for FY2016 (**FY2016 Annual Report**) is at **Tab 1 of Exhibit AT-1 [TAT.001.014.0638]**.
11. Tatts is listed on the Australian Stock Exchange (**ASX**). As at 8 March 2017 Tatts has on issue 1,468,519,481 fully paid ordinary shares which are listed on the ASX under the code TTS.
12. The shareholders with a greater than 5% shareholding in Tatts are set out in the FY2016 Annual Report (**Tab 1 of Exhibit AT-1 [TAT.001.014.0638]** at **[.0717]**). A list of those shareholders updated as at 8 March 2017 as they appear on the Tatts share register is as follows:

Investor name	Number of ordinary shares	% of issued capital
HSBC Custody Nominees (Australia) Limited	239,309,387	16.30%
JP Morgan Nominees Australia Limited	197,460,299	13.45%
Warbont Nominees Pty Limited	119,414,636	8.13%
Citicorp Nominees Pty Limited	111,398,197	7.59%

13. Tatts' related bodies corporate at the end of FY2016 are reported in the FY2016 Annual Report (**Tab 1 of Exhibit AT-1 [TAT.001.014.0638]** at **[.0708]**). At **Tab 2 of Exhibit AT-1 [TAT.001.010.0167]**, I set out a current list of Tatts' related bodies corporate as at 8 March 2017.

C. TATTS' WAGERING BUSINESS

14. In Exhibit AT -1 and Highly Confidential Exhibit AT-3, I set out tables identifying:
 - (a) the key external inputs that enable Tatts' wagering business to operate (the **Inputs Table**) (at **Tab 1 of Highly Confidential Exhibit AT-3 [TAT.001.015.1014]** and **Tab 3 of Exhibit AT-1** (with confidential information redacted) **[TAT.001.030.0011]**) - for example:
 - (i) licence rights supplied by State and Territory Governments in exchange for fees and taxes paid by Tatts;
 - (ii) racing and sports "product" supplied by racing industry bodies and sporting bodies that enables Tatts to offer wagering on their events;
 - (iii) agency services supplied by retail agents, hotels, pubs and clubs to host Tatts retail wagering outlets; and

- (iv) premises leased by landlords to Tatts for the operation of retail wagering outlets;
 - (b) a selection of the suppliers who provide those external inputs (the **Suppliers Table**) (at **Tab 2 of Highly Confidential Exhibit AT-3 [TAT.001.015.1020]** and **Tab 4 of Exhibit AT-1** (with confidential information redacted) [**TAT.001.030.0017**]).
15. I prepared the Inputs Table and Suppliers Table in conjunction with Clayton Utz, Tatts' solicitors, for the purpose of assisting Tabcorp to answer Question 6 ("Suppliers") of the Form S for its Tribunal application. The information contained in the Inputs Table and Suppliers Table was extracted from Tatts' management accounts for FY16, and I believe that the Inputs Table and the Suppliers Table accurately reflect those management accounts.
16. At **Tab 3 of Highly Confidential Exhibit AT-3 [TAT.001.015.1003]** and **Tab 5 of Exhibit AT-1** (with confidential information redacted) [**TAT.001.030.0001**], I set out a table identifying the customers of Tatts' wagering business (the **Customers Table**). I prepared the Customers Table in conjunction with Clayton Utz for the purpose of assisting Tabcorp to answer Question 8 ("Customers") of the Form S for its Tribunal application. The information set out in the "value of goods and/or services purchased" column of the Customers Table was extracted from Tatts' management accounts for FY16, and I believe that the Customers Table accurately reflects those management accounts.
17. At **Tab 4 of the Highly Confidential Exhibit AT-3 [TAT.001.015.0809]**, is a spreadsheet setting out Tatts' wagering turnover (i.e. total bets wagered) for each financial year from FY12 to FY16 (the **Wagering Turnover Spreadsheet**). The Wagering Turnover Spreadsheet divides the turnover by:
- (a) Tatts entity - "NT TAB" (that is, UBET NT Pty Ltd), "SA TAB" (that is, UBET SA Pty Ltd), "TABQ" (that is, UBET QLD Limited) or "TAS TAB" (that is, UBET TAS Pty Ltd);
 - (b) product type - totalisator ("pari-mutuel") or fixed price betting;
 - (c) event type - racing or sports betting; and
 - (d) distribution channel - internet (i.e. digital), retail, or telebet.
18. I supervised the preparation of the Wagering Turnover Spreadsheet which contains information extracted from Tatts' transaction logs and I believe that the Wagering Turnover Spreadsheet accurately reflects those transaction logs.

19. At **Tab 5** of the **Highly Confidential Exhibit AT-3 [TAT.001.015.0804]** is a spreadsheet showing the same turnover, but limited to digital and telephone betting (the **Phone and Internet Sales Spreadsheet**). It also contains more detail in relation to those sources of revenue, in that it breaks down the revenue for each UBET entity by the nominated home address of the customer. I supervised the preparation of the Phone and Internet Sales Spreadsheet with information extracted from Tatts' transaction logs and believe that the Phone and Internet Sales Spreadsheet accurately reflects those transaction logs.
20. At **Tab 1** of the **Confidential Exhibit AT-2 [TAT.001.015.0763]** is a schedule identifying, for each of the States and Territories in which Tatts holds a wagering licence, the wagering taxes paid to Government, the product fees payable to racing industries (excluding race field fees) and the statutory or contractual basis for the imposition of the tax or fee (the **Wagering Tax and Industry Fee Schedule**). I supervised the preparation of the Wagering Tax and Industry Fee Schedule in conjunction with Clayton Utz. I believe that the Wagering Tax and Industry Fee Schedule accurately reflects the legislation or contracts under which wagering taxes and product fees are payable by Tatts.
21. At **Tab 6** of the **Exhibit AT-1 [TAT.001.015.0752]** is a schedule of the Race Field Fees payable to racing bodies in the States and Territories (the **Race Field Fee Schedule**). It identifies the current fee payment obligations, and the statutory or other basis upon which those obligations are imposed. I prepared the Race Field Fee Schedule in conjunction with Clayton Utz. I believe that the Race Field Fee Schedule accurately reflects the race field fee approvals and terms and conditions in place in each State and Territory of Australia.

Signature of witness



Anne Tucker

9 March 2017

Date of signature