

21 June 2006

Tabcorp despatches bidder's statement to UNiTAB shareholders

Tabcorp Holdings Limited (Tabcorp) announced that it has commenced despatching its bidder's statement to UNiTAB shareholders today.

Tabcorp's offer gives UNiTAB shareholders a choice of all Tabcorp shares or a combination of Tabcorp shares and cash.

Tabcorp's offer has an implied value of \$14.25 per UNiTAB share assuming a Tabcorp share price of between \$15.00 and \$17.00.

This is demonstrably superior to the Tattersall's proposal which has a value of only \$12.47 per UNiTAB share (all share alternative) or \$12.90 per UNiTAB share (fixed cash alternative), based on the closing price of Tattersall's shares last night of \$2.88.

Tabcorp's Managing Director and Chief Executive Officer, Matthew Slatter, said: "Tabcorp's offer, if successful, is expected to provide substantial value to UNiTAB's shareholders and represents a superior alternative to the Tattersall's proposal.

"In addition, the scale and diversification of Tabcorp's business means that Tabcorp shares provide a far more attractive alternative than Tattersall's shares for UNiTAB shareholders."

Tabcorp's bidder's statement sets out the terms and conditions of the offer and the reasons why Tabcorp's offer is superior to the Tattersall's proposal. When compared to the Tattersall's proposal, the Tabcorp offer provides UNiTAB shareholders with:

- a higher implied value;
- the opportunity to receive more cash;
- a greater expected increase in earnings and dividends per share;
- greater diversification; and
- significantly lower exposure to the earnings risk associated with the renewal of key Victorian licences.

A combination of Tabcorp and UNiTAB has the potential to deliver substantial benefits for the Australian racing industry through greater investment and revenues, wagering customers through enhanced wagering products and larger wagering pools and UNiTAB shareholders. The Tattersall's proposal does not offer these benefits.

Tabcorp's offer also provides substantial benefits for the State of Queensland. Tabcorp believes that Queensland has tremendous growth potential and Tabcorp already has significant investments in that State and employs more than 4,500 people in Queensland.

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Media Release

For further information please contact

At Tabcorp

Media: Bruce Tobin
General Manager Corporate Affairs
Tel (03) 9868 2508

At Cannings

Media: Nigel Kassulke and Peter Brookes
Tel (02) 9252 0622

At UBS

Peter Scott
Managing Director
Tel (03) 9242 6273

Tim Antonie
Managing Director
Tel (03) 9242 6277