Tabcorp
the bigger better game

Media Release

17 August 2006

Tabcorp withdraws from proposed takeover of UNiTAB

Tabcorp Holdings Limited today announced that it would not continue with its proposed takeover of UNiTAB Limited following yesterday's Australian Competition and Consumer Commission announcement opposing the acquisition.

The Tabcorp Board today met to consider the ACCC's views and review its options for the takeover and the Directors made a unanimous decision not to proceed with the takeover.

Managing Director and Chief Executive Officer Matthew Slatter said: "Tabcorp disagrees with the decision of the ACCC but will not challenge the ruling. While UNiTAB would have been a good strategic fit and delivered value for our shareholders, it was never a "must-have".

As Australia's leading gambling and entertainment group with an exciting portfolio of existing businesses, Mr Slatter said Tabcorp was in a strong position to pursue new opportunities in international and domestic markets.

"Tabcorp is building on this strong portfolio of businesses and will continue to implement its five-year plan for innovation and growth which the company has been following in parallel with the UNiTAB bid," Mr Slatter said. "In addition, the company continues to selectively pursue opportunities internationally where Tabcorp can leverage its distinctive skills to create value for shareholders."

Given the above, Tabcorp's offer will not be extended beyond the scheduled closing date of 30 August 2006, and the conditions of the offer will not be waived. Accordingly, the offer will lapse with unfulfilled conditions on closing.

Tabcorp will not be exercising its right to vote the shares of those UNiTAB shareholders who have accepted Tabcorp's offer at the UNiTAB scheme meeting on 21 August 2006.

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