

# Symposium on **racing** & gaming



***Fixed Odds & Tote***

***Living together?***

December 2011

[tabcorp.com.au](http://tabcorp.com.au)

**Paul Cross**

**International Wagering Manager - Tabcorp**

**tab**sportsbet

**YOU'RE  
ON!**

**TAB.COM.AU  
133 390**



## Background

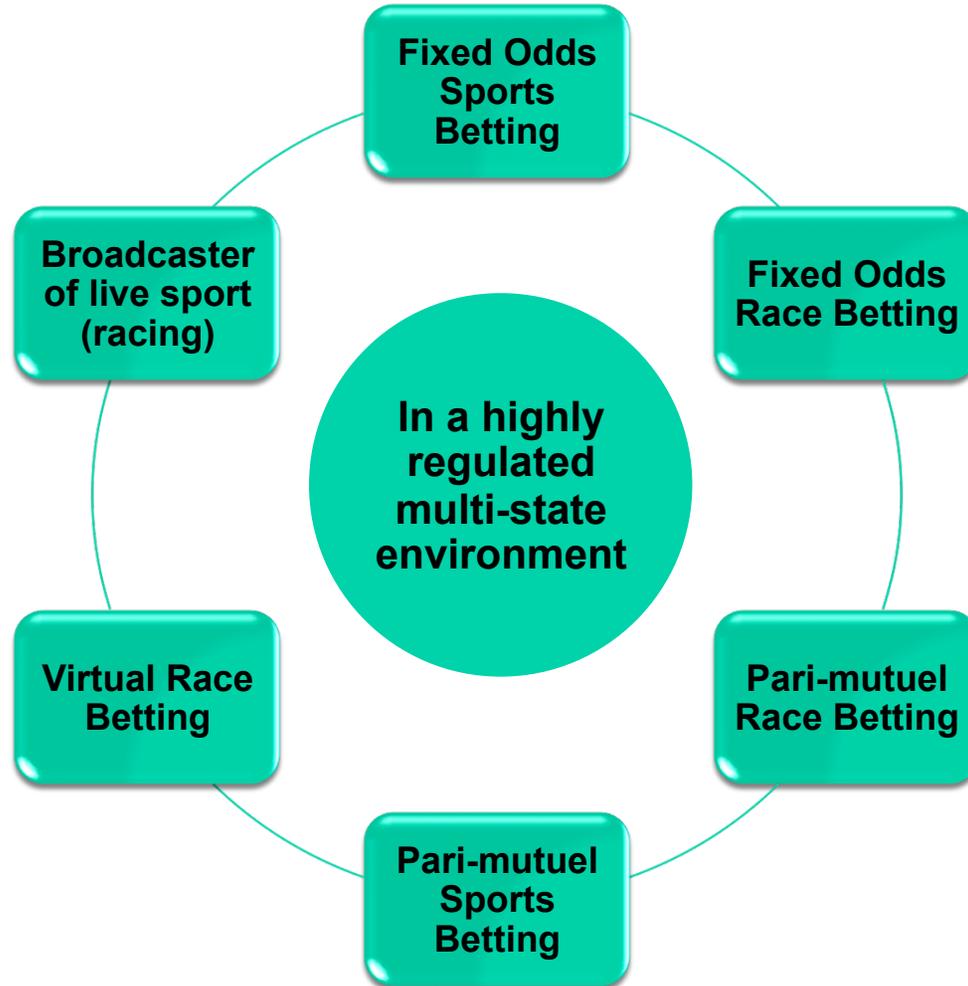
---

- Across the group in 2011, Tabcorp generated revenues of A\$2.9b, profit of A\$562.5m and in addition delivered A\$560m for the racing industry.
- Tabcorp manages leading customer brands in Australia, including TAB, Tabaret, Keno, Luxbet, Tab Sportsbet, Tabcorp Gaming Solutions, Sky Racing (television) and Sky Sports Radio, serving millions of customers every day.
- In 2011 Tabcorp was globally recognised as the gambling industry leader in the 2011 Dow Jones Sustainability Indexes (DJSI) annual review, with a 100% rating in the “Promoting Responsible Gaming” category. Tabcorp has been rated global leader in Responsible Gambling by DJSI for 8 of the last 9 years.

# With multiple market leading business in Australia

	Wagering	Media & International	Gaming	Keno
				
<b>Profile</b>	<ul style="list-style-type: none"> <li>• 43.3% share of turnover (estimated)</li> <li>• 1.2m regular customers</li> <li>• New 12 year Victorian Wagering &amp; Betting licence</li> </ul>	<ul style="list-style-type: none"> <li>• 2.35m homes have access to Sky Racing</li> <li>• Export racing vision to 30 countries</li> <li>• 82,000 races pa</li> </ul>	<ul style="list-style-type: none"> <li>• 1.2m EGM customers</li> <li>• 53.9% share of revenue</li> <li>• 7,500 EGMs signed to TGS</li> <li>• TGS is expected to commence August 2012</li> </ul>	<ul style="list-style-type: none"> <li>• 1.3m customers</li> <li>• New 10 year Victorian Keno licence</li> </ul>
<b>Outlets Accounts</b>	<p>2,627 (Sept 2011) 315,000 (Sept 2011)</p>	<p>5,100 (outlets)</p>	<p>263 (venues)</p>	<p>2,876 (venues)</p>
<b>FY11 Revenue EBITDA</b>	<p>\$1,569m \$288m</p>	<p>\$179m \$60m</p>	<p>\$1,077m \$280m</p>	<p>\$170m \$61m</p>
<b>Licence expiry</b>	<p>NSW 2097 NT 2015 VIC 2024 (new)</p>		<p>VIC 2012</p>	<p>NSW 2022 QLD 2022 VIC 2022</p>

# Tabcorp is Australia's largest betting operator



# Fixed Odds Racing Product Offering



# Futures betting is used as a marketing tool

The screenshot shows the website for the Golden Rose Stakes. The main navigation includes HOME, NEWS, GOLDEN ROSE DAY, and a search bar. The featured article is titled "2011 Golden Rose Betting & Field Update" by Lucy Henderson, dated 10 August 2011. The article discusses the upcoming Group One showdown and lists several horses and their odds. A sidebar on the right shows "Golden Rose Odds" for Rosehill Race 5, listing horses like Helmet, Smart Missile, Foxwedge, Manawanui, Aeronautical, and Flight of Pegasus with their respective odds.

**2011 Golden Rose Betting & Field Update**

BY: Lucy Henderson | NEWS SECTION: Betting - Preview & Field | 10 AUGUST 2011

**LIMITED TIME OFFER: \$500 BONUS BET AT LUXBET**

The race is on towards the opening Group One showdown of the season with the **Golden Rose 2011** betting markets starting to heat up as the field of hopeful three-year-olds begins to take shape.

Kicking off elite level racing for the spring, the \$1 million Group 1 **Golden Rose Stakes** (1400m) is scheduled to take place at the picturesque **Rosehill Gardens Racecourse** on Saturday September 10, 2011.

As the signature race of the **Sydney Spring Racing Carnival**, the 2011 Golden Rose will attract a final field of some of the best three-year-olds going around.

Australia's leading online bookmaker **Luxbet** has released their **Golden Rose odds** and futures markets with **Peter Snowden's** Blue Diamond Stakes – Golden Slipper winner **Sepoy** at the top of the betting paying \$4 to add a third elite level victory to his impressive record.

Sepoy, who resumes racing at **Caulfield** in the **Vain Stakes** on Saturday, is however an unlikely Golden Rose acceptor with connections stating their intention to target the Melbourne Spring features.

On the next line of **Golden Rose betting** is the horse that is then set to firm into favouritism come race day, the Anthony Cummings-trained **Smart Missile**.

Other top three-year-olds high up the markets include Sepoy's fellow dual Group 1 winning stablemate **Helmet** (\$5.50), **Aeronautical** who firmed in from \$26 to \$8 following their victory in The Rosebud last Saturday and Foxwedge (\$10).

The **John O'Shea**-trained **Foxwedge** is an untapped talent, the son of Fastnet Rock having won one of their four starts to date.

They haven't been seen since pulling up sore after their seventh to Sepoy in the Golden Slipper back in April, but will

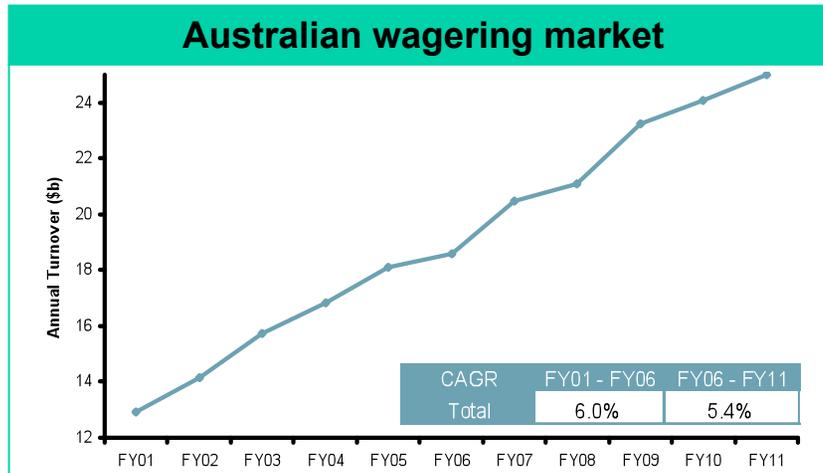
**Golden Rose Odds**

**Rosehill Race 5** results

TOOHEYS NEW GOLDEN ROSE

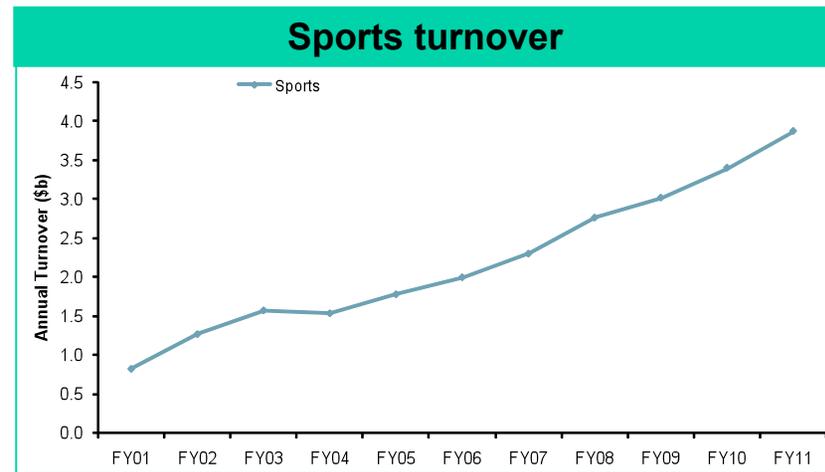
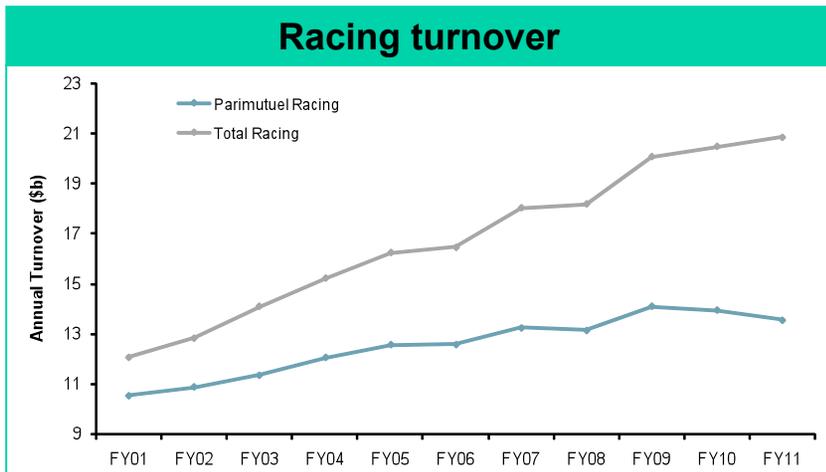
Compare horse racing odds from all of the best online bookmakers and TAB's at Odds.com.au!	LUXBET
1. HELMET (4)	3.8
2. SMART MISSILE (5)	2.1
3. FOXWEDGE (1)	9.5
4. MANAWANUI (3)	7
5. AERONAUTICAL (6)	12
6. FLIGHT OF PEGASUS (2)	91

# The Australian wagering market has demonstrated consistent growth, driven by steady growth in racing and strong growth in sports betting



CAGR	FY01 - FY06	FY06 - FY11
Parimutuel Racing	3.6%	1.3%
Total Racing	6.4%	4.0%

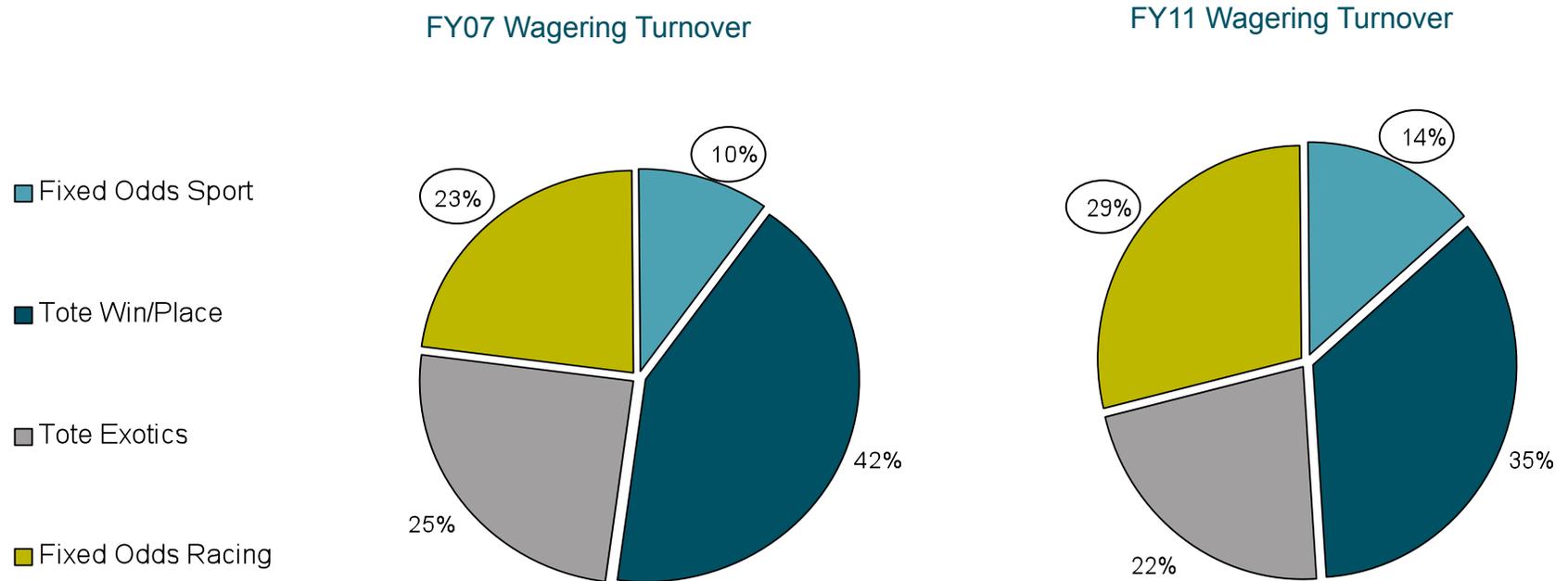
CAGR	FY01 - FY06	FY06 - FY11
Sports	19.2%	14.1%



Source: ARB Fact Books, internal Tabcorp data, includes some estimates

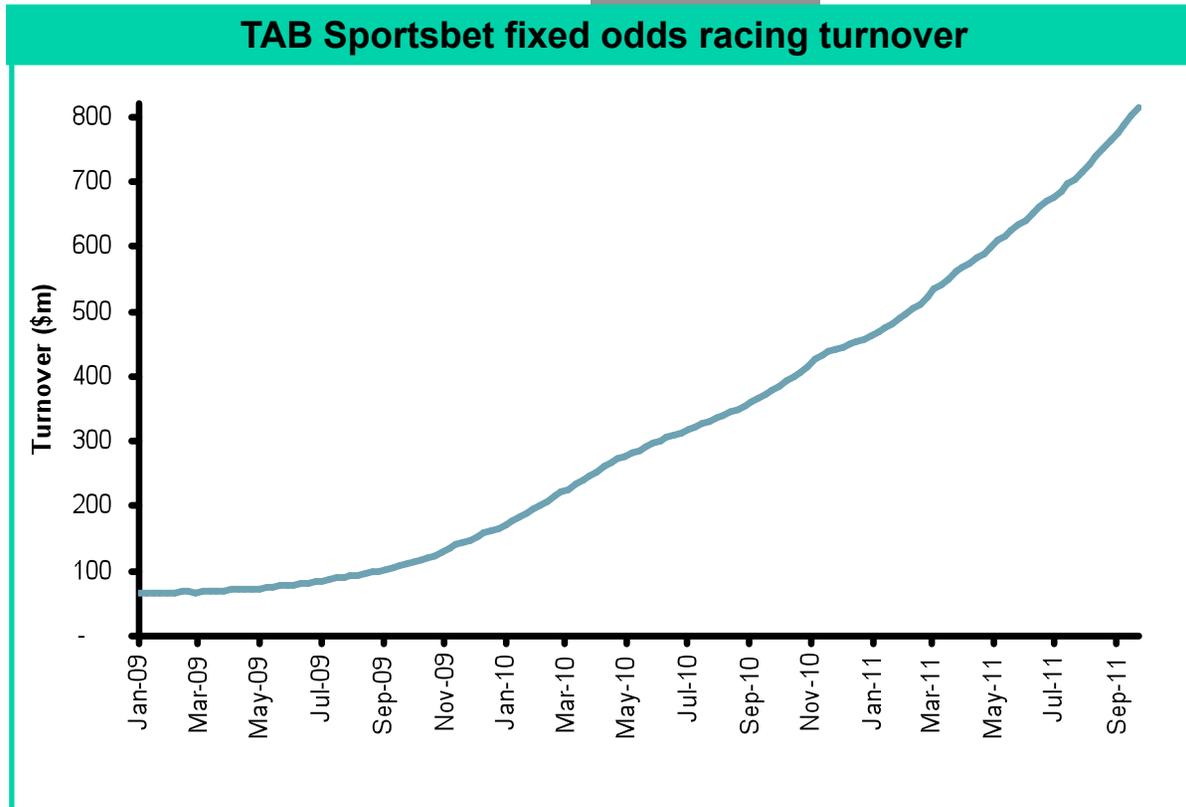
# Fixed Odds is the fastest growing segment of the wagering market, and Tabcorp has increased its share of Fixed Odds turnover significantly

Fixed Odds products now comprise 43% of Tabcorp's wagering turnover, up from 33% in 2007



## TAB Sportsbet has a competitive fixed odds racing offer

CAGR = 24%



### An entry point for sport lovers

- Average spend doubles when customers add racing to their repertoire
- Only 5% bet exclusively on sport
- 60% bet exclusively on racing
- 35% bet on racing & sport

TAB Sportsbet has rapidly grown its share of fixed odds racing turnover while achieving yields and returns similar to the pari-mutuel product.

# Sports betting continues to be strong via retail

---

## Revenue by Distribution Channel

Retail	71%
Internet	22%
Telephone	7%

## Revenue by Bet Value

\$1-\$100	66%
\$101-\$1,000	29%
\$1,001-10,000	3%
>\$10,000	2%

## Sports Turnover

Single Bets	68%
Multi Bets	32%

## Sports Revenue

Single Bets	37%
Multi Bets	63%

Note: Data for full year 30 June 2011

# With fixed odds and tote living side by side on line

LIVE: Audio Video Home Account Number Password Login Forgotten Account Number or Password? My Account My State Bet Slip Number 1 Club Help

**TAB** Español | 日本語 | 简体 | 繁體

JOIN NOW >> How to Bet Audio News Live Odds Search Bet Calculator Newsletters EXPRESSBET 3:39 PM AEST - Fri 25 Nov 2011

Next To Go: Moonee Valley (VIC) 3 - INFOR MDN PLT 2040m

Next To Go: TAB FIXED ODDS MARKET MOVERS PRICE FLUCTUATIONS

Moonee Valley (VIC) Weather: OCAST Track: DEAD4

INFOR MDN PLT 2040m Closes 4 hours 5 mins 7:45 PM Approximates at: 3:14:52 PM

No	Runner (Barrier)	Jockey	TAB FIXED ODDS		TAB TOTE		1	No
			Win	Place	Win	Place		
1	FALDO (5)	J RULE (a2.0)	26.00	6.55	16.50	4.50	<input type="checkbox"/>	1
2	GOLD VISION (6)	K A MALLYON (a3.0)	26.00	6.55	27.30	6.60	<input type="checkbox"/>	2
3	<b>JOHNNY GOODGEAR (7)</b>	<b>A MCCABE</b>	<b>4.20</b>	<b>1.71</b>	8.10	<b>1.50</b>	<input type="checkbox"/>	3
4	LITTLE BIG MAN (1)	S R RAWILLER (a3.0)	41.00	9.88	16.80	7.20	<input type="checkbox"/>	4
5	SELECTED FEW (3)	J G FRY (a2.0)	26.00	6.55	35.00	5.00	<input type="checkbox"/>	5
6	<b>WAR HAWK (12)</b>	<b>L NOLEN</b>	4.40	1.75	<b>3.60</b>	2.00	<input type="checkbox"/>	6
7	CHARTING (11)	S BASTER	6.00	2.11	10.20	3.20	<input type="checkbox"/>	7
8	ECLIPSE ROUGE (8)	B RAWILLER	4.60	1.80	10.80	2.70	<input type="checkbox"/>	8
9	GAELSTORM (4)	D YENDALL	8.50	2.66	5.40	2.00	<input type="checkbox"/>	9
10	JUST DE ONE (10)	C D SYMONS	26.00	6.55	10.20	4.40	<input type="checkbox"/>	10
11	MEMPHIS DAWN (9)	C NEWITT	12.00	3.44	14.10	5.70	<input type="checkbox"/>	11
12	SHE'S AYCE (2)	D W STACKHOUSE (a2.0)	10.00	3.00	21.10	4.80	<input type="checkbox"/>	12
13	<del>BIG CITY DREAMS (13)</del>	<del>K POST</del>	scr	scr	scr	scr	<input type="checkbox"/>	13
14	<del>MADHURIMA (6)</del>	<del>G WYNNE</del>	scr	scr	scr	scr	<input type="checkbox"/>	14
15	<del>KING OF THE GODS (14)</del>	<del>NN</del>	scr	scr	scr	scr	<input type="checkbox"/>	15
16	<del>PICCADILLY DANGER (2)</del>	<del>DALE SMITH</del>	scr	scr	scr	scr	<input type="checkbox"/>	16

Field - All Runners  Mystery Selection(s) 0

**Bet Types:**

- TAB Tote Win/Place
- TAB Fixed Odds W/P
- Trifecta
- Quinella
- Exacta
- First 4
- Duet

**Other Bet Types:**

- [Running Double \(3,4\)](#)
- [Daily Double \(6,8\)](#)
- [Quaddie \(5,6,7,8\)](#)
- [BIG6](#)
- [Parlay Formula](#)
- [Mystery](#)
- [Fixed Odds Double](#)

**Bet Amount:**

Win \$ 0.00

+50c +\$1 +\$5

+\$10 +\$50 +\$100

Place \$ 0.00

+50c +\$1 +\$5

+\$10 +\$50 +\$100

**BET NOW** **Add to Slip**

Bet Slip : 0 Bets

**LAUNCH MY POPUP**

# With fixed odds and tote living side by side with mobile

Account: 802622 Show Balance | Logout

Today's Racing MOONEE VALLEY (VIC)

RACES

WAGGA (NSW) - R1

MOONEE VALLEY (VIC) - R1

IPSWICH (QLD) - R4

KYNETON (VIC) - R6

ORANGE (NSW) - R1

SUNSHINE COAST (QLD) - R1

SINGAPORE (SGP) - R1

NEWBURY (GBR) - R1

OTAKI (NZL) - R10

FAIRVIEW (ZAF) - R1

MUSSELBURGH (GBR) - R1

DONCASTER (GBR) - R1

8:15pm 4 55 SECOND CHALLENGE 0-72 HT5 955m - OCAST / DEAD  
270 mins to jump Last updated: 3:14:53pm

Runners Pools BET NOW

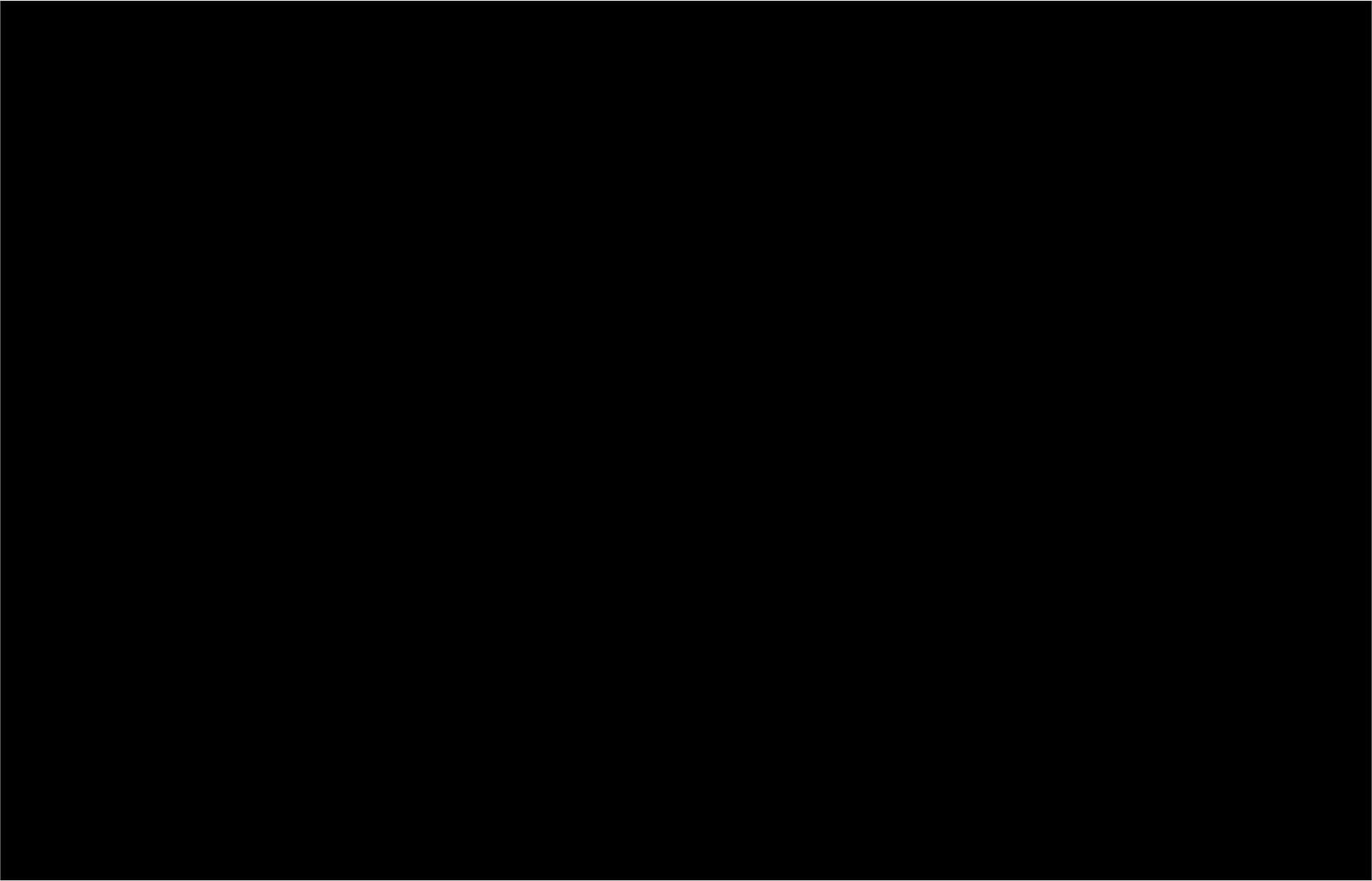
	TAB FIXED	TAB TOTE
1. FLUSHING MEADOWS (6) J MALLYON	\$31.00 W \$8.50 P	\$23.40 W \$6.70 P
2. NATE (9) J G FRY	\$21.00 W \$6.00 P	\$25.50 W \$12.10 P
3. KING COTTON (8) M HAGLEY	\$15.00 W \$4.50 P	\$12.10 W \$6.70 P
4. GURU BAY (11) B J MELHAM	\$4.60 W \$1.90 P	\$8.10 W \$3.90 P
5. INDIAN DIAMOND (10) J ANSTICE	\$21.00 W \$6.00 P	\$19.40 W \$3.80 P
6. HILLFIRE (1) L E HOPWOOD	\$10.00 W \$3.25 P	\$6.60 W \$3.80 P
7. LADY CHOPIN (3) D W STACKHOUSE	\$9.00 W \$3.00 P	\$11.90 W \$3.50 P
8. SUNDAY WONDER (4) K A MALLYON	\$17.00 W \$5.00 P	\$15.30 W \$5.10 P
9. ARRIVED (5) J NOONAN	\$7.00 W \$2.50 P	\$12.80 W \$3.00 P
10. BIONDI (12)	\$17.00 W	\$15.30 W

Home Next To Go Today Bet Now Results Live Video



# In an environment where Tabcorp continues to invest in initiatives that improve the customer experience





**tabsportsbet**

YOU'RE  
**ON!**

TAB.COM.AU  
133 390



---

**NO RISK**

**RISK**



tab.com.au



tabactive



There's more fun in numbers.



Profit from experience