

# VILLAGE ROADSHOW INVESTOR PRESENTATION

3 OCTOBER 2017



VILLAGE ROADSHOW

# AGENDA

- Theme Parks
- Cinema Exhibition
- Film Distribution
- Marketing Solutions
- Corporate



# THEME PARKS

# MAJOR GOLD COAST PARKS



- In 1Q18, the Gold Coast theme parks were marginally down on prior year
  - This is still largely driven by local market attendance
  - Interstate attendance in 1Q18 somewhat weaker as Victoria's September holidays commenced a week later compared to prior year
  - International growth continues
- In park spend broadly in line with prior year
  - Indicates improvement in spend per person
- *DC Rivals HyperCoaster* opened to the public on 21 September 2017 and results have been outstanding, including a day of all-time record attendance for September at Warner Bros. Movie World
  - Over the last few months attendance has shown significant improvement so that September was essentially flat on the prior year
- *Heroes and Villains* was a low cost initiative launched successfully in June and extended 10 days due to popularity
  - Intention to expand this format into other holiday periods

Heroes and Villains at Warner Bros. Movie World



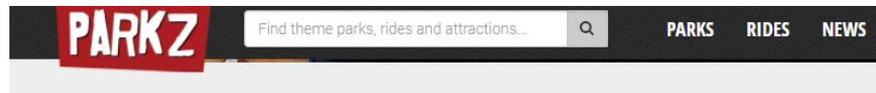
# HYPERCOASTER

OPENED  
SEPTEMBER 2017!

- Generating huge excitement on the coast!
- Driving ticket sales, length of stay and repeat visitation
  - Gold Coast Theme Park ticket sales exceeded expectations during HyperCoaster launch week to Sunday
  - Warner Bros. Movie World showed strong attendance over official opening weekend
  - Car park was full of spectators & Theme Park enthusiasts
- Strong social media response
  - 9.3m impressions and 300K engagement
- Excellent PR coverage
  - 95 items, 6.9m impressions



# EXCEPTIONAL SOCIAL MEDIA COVERAGE



## DC Rivals HyperCoaster is Australia's best ride ever

Make no mistake about it: Warner Bros. Movie World have delivered a roller coaster that is undeniably one of the best in the world. The ride ticks every box and delivers a level of sheer thrills and sustained excitement that is unlike anything ever before built in Australia.



Image: Parkz. DC Rivals HyperCoaster is now operational as part of "technical rehearsals" at Warner Bros. Movie World.



# OTHER GOLD COAST

## SEA WORLD RESORT

- FY18 looking strong
  - Forward bookings tracking well
  - Excellent trending into Commonwealth Games

## VILLAGE ROADSHOW STUDIOS

- Continue to perform well
  - *Aquaman* due to wrap 2Q18
  - Followed by Commonwealth Games

## PARADISE COUNTRY

- Revenues continue to grow with the success of the Farmhouse Restaurant

# WET'N'WILD SYDNEY

- Position as the ultimate summer entertainment solution
- Focus on enhanced guest experience (shade, queuing system and entertainment, food offerings)
- Consolidate operating calendar to focus on core season
- Activate strategic and successful events (e.g. Cinema in the Sand) to enhance value proposition and drive first time and repeat visitation
- Communicate the added benefit of FREE parking when visiting
- Strong focus on Groups, Corporate Events and Schools and Universities
- Continue to build Community relationships to strengthen our position with the Western Sydney consumer to build brand equity, advocacy and loyalty



# TOPGOLF

Investigating opportunities for strategic partnerships

## TOPGOLF – OXFENFORD

- Grand Opening June 2018
- Adds yet another massive “wow” attraction to the property that will lead to extended length of stay

## OTHER SITES

- Actively seeking sites around Australia



# ASIAN THEME PARKS DEVELOPMENT UPDATE

## MISSION HILLS - WET'N'WILD (CY18)

Construction continues to progress

Expected opening March 2018

Management deal no equity



## LAI SUN - LIONSGATE ENTERTAINMENT WORLD (CY19)

Construction currently ahead of schedule

On track to achieve opening in 1Q CY19

GM agreed – very experienced VRTP GM



# CINEMA EXHIBITION



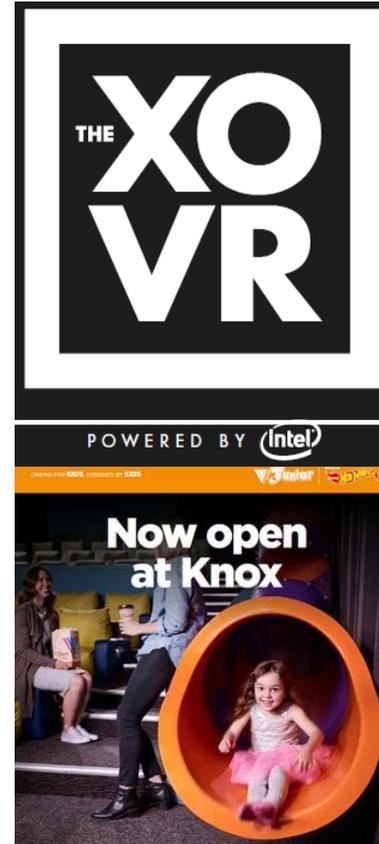
VILLAGE ROADSHOW

# CINEMA EXHIBITION

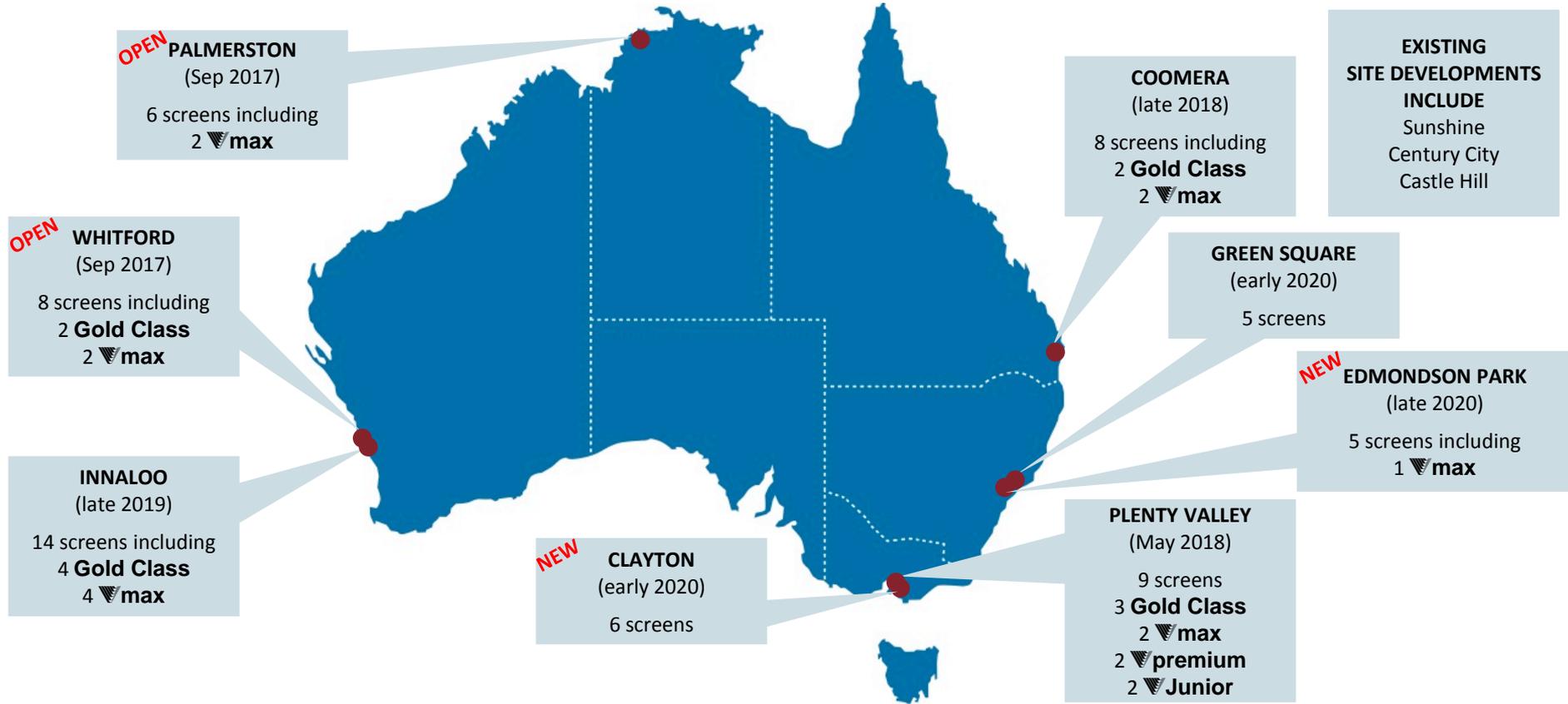
- September impacted positively by global blockbuster Stephen King's *IT*
- Improved 2Q Box Office performance expected, led by *Star Wars: The Last Jedi*, *Thor: Ragnarok*, *Justice League* and *The Greatest Showman*

## ROLLOUTS OF PREMIUM CONCEPTS AND NEW SITES

-  Junior at Knox Victoria opened September 2017
- Whitford Western Australia opened September 2017 with 8 screens including 2 **Gold Class** and 2  **max**
- Palmerston Northern Territory opened September 2017 with 6 screens including 2  **max**
- **4DX** screen under construction at Century City Victoria opening October 2017
- Virtual reality concept **XOVR** at Knox Victoria opening November 2017



# RECENT AND UPCOMING EXPANSION



# KEY UPCOMING FY18 TITLES



**STAR WARS**  
THE LAST JEDI  
DECEMBER



## OTHER TOP TITLES

*Han Solo film*  
*Incredibles 2*

Note: Artwork shown relates to VRL as exhibitor of these titles

# FILM DISTRIBUTION

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- FY18 YTD *Logan Lucky* and *American Assassin* underperformed
- 2Q18 looking stronger with *IT* carry over, *Justice League*, *Bad Moms 2* and 2H18 with *Ready Player One*
- Currently working through further cost savings



# FILM DISTRIBUTION UPDATE

## TELEVISION PRODUCTION

- Roadshow Rough Diamond
  - *Romper Stomper* – final shoot currently filming in Melbourne
  - Screen Australia have approved a second series for partial funding, with balance to be provided by the broadcaster and tax offset
- Blink TV (50% VRL owned)
  - Working towards launch of Eurovision Asia in late 2018 with partners SBS
  - Close to commissioning an unscripted TV series

## FILMNATION

- Continues planned film production and now looking to include television production
- Upcoming title *Disobedience* with Rachel Weisz and Rachel McAdams

## AUSTRALIAN FILM INITIATIVES

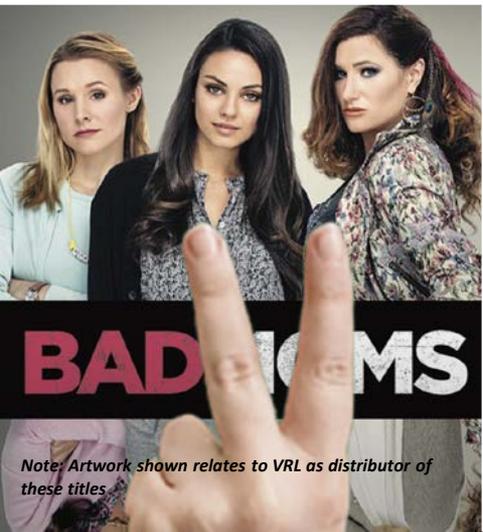
- Capitalising on Roadshow's long standing strong performance in Australian film by building a portfolio of quality commercial film
- First film targeted to start production in FY18

# FIGHTING PIRACY WITH NEW LEGISLATION

- Accessing the new legislation, the courts have blocked pirate websites representing 95% of the illicit traffic
- Concurrently, the industry is launching a powerful national public relations campaign that piracy is illegal and warning people of the real dangers of malware and stolen credit card details that exist in the pirate space
- It is expected, based on overseas experience, that these initiatives and others will significantly reduce piracy



# KEY FY18 THEATRICAL TITLES



Note: Artwork shown relates to VRL as distributor of these titles

# MARKETING SOLUTIONS



VILLAGE ROADSHOW

# FY18 TRADING TO DATE

## EDGE

- Solid start to FY18 with key promotions already in market including Harvey Norman wine offer, Mars Petcare GWP, Cadbury Favourites and Kellogg's movie offers
- Strong physical card and digital reward billings
- First revenues for Asia about to be booked with launch of initial Microsoft promotion

## OPIA

- Strong performance from key clients HP, Intel and Samsung in the opening months of FY18
- Asian business has already launched its first project with significant new work in the pipeline from Lenovo and Intel



CORPORATE

# CORPORATE FY18

- Cost reduction initiatives already achieved, further reductions under review
- Projects underway to improve workflow and process efficiencies across the group
- Digital initiatives such as website improvements and apps ongoing



# POTENTIAL ASSET SALES

## **GOLDEN VILLAGE**

- Agreement signed to sell VRL's 50% stake in the Singapore Cinema Exhibition business, Golden Village, to Orange Sky Golden Harvest Entertainment (Holdings) Limited
- Net proceeds to VRL are anticipated to be approximately A\$165 million, realising a net profit after tax of approximately A\$150 million
- Transaction is expected to complete before the end of 2017, subject to customary conditions precedent

## **OXENFORD LAND SALE AND LEASEBACK**

- Sale process for sale and leaseback of 154 hectares of land at Oxenford launched 7 September 2017
- Expressions of Interest are due 26 October 2017, with a sale expected to be completed by the end of 2017



QUESTIONS?



VILLAGE ROADSHOW

# DISCLAIMER

## Non – IFRS Financial Information

The VRL group results are prepared under Australian Accounting Standards, and also comply with International Financial Reporting Standards (“IFRS”). This presentation includes certain non-IFRS measures including EBITDA and operating profit excluding material items of income and expense and discontinued operations. These measures are used internally by management to assess the performance of the business, make decisions on the allocation of resources and assess operational performance. Non-IFRS measures have not been subject to audit or review, however all items used to calculate these non-IFRS measures have been derived from information used in the preparation of the audited or audit-reviewed (as appropriate) financial statements.

