

Trading update

30 January 2018: Village Roadshow Limited (ASX:VRL) ("VRL") today announced a trading update based on the first 6 months to 31 December 2017.

VRL's two main divisions, Theme Parks and Cinema Exhibition, have experienced challenging trading conditions in the first 6 months to 31 December 2017 and the overall VRL results for the half year are now expected to be substantially below the prior comparable period (1H FY17).

As noted at the 2017 Annual General Meeting, Cinema Exhibition experienced a slow start to the financial year as the weighting of the major releases such as *Ready Player One*, *Avengers: Infinity War*, *Solo: A Star Wars Story*, *Deadpool 2* and *Jurassic World: Fallen Kingdom* are all scheduled to be released in the second half of the financial year.

Village Roadshow Theme Parks on the Gold Coast and Sydney are still being adversely impacted by the Dreamworld tragedy that occurred in October 2016.

The Company will release its half year results on Friday, 16 February 2018.

Looking forward to the full year and taking into account preliminary January 2018 trading, it is expected Cinema Exhibition will recover in the second half to finish slightly below the prior year. VRL's Theme Parks on the Gold Coast has seen improved ticket revenues in the month of January which indicates a significant recovery following the introduction of the new ticketing and marketing strategy in November 2017, however the impact of this cannot be fully determined until after the key annual pass renewal period of May/ June.

Following the sale of its Singapore Exhibition business in October 2017, the Company will realise a substantial profit after tax of approximately A\$150 million which will be disclosed as a material item in FY18 results.

The sale of the Company's land at Oxenford, Queensland, which was completed in December 2017, is expected to be treated as a finance lease in accordance with the requirements of accounting standards, and the Company will not record a profit on sale in its reported results. The accounting for this long-term lease is still being finalised.

VRL has been successful in bringing its leverage ratio down to below 3 times as at 31 December 2017 by using the proceeds from the sale of its Singapore business and Oxenford land to repay debt.

VRL currently expects FY18 attributable Net Profit After Tax before material items and discontinued operations to be in the range of \$12 - \$17 million.