

VILLAGE ROADSHOW 1H18 RESULTS

16 FEBRUARY 2018

VRL 1H18 TELECONFERENCE DETAILS

16 FEBRUARY 2018 2:00 PM AEDT (NSW, VIC, TAS, ACT)
CONFERENCE ID: 708605

In order to pre-register for this conference and avoid a queue when calling, please follow the link below.

You will be given a unique pin number to enter when you call which will bypass the operator
and give you immediate access to the event.

<http://villageroadshow.com.au/investors/corporate-diary/teleconferences#/>

If unable to register, call one of the numbers below at the time of the conference
and provide the conference ID 708605 to an operator:

Australia Toll Free:	1800 908 299	Australia Alt. Toll Free:	1800 455 963		
Australia Local:	+61 2 9007 8048	Australia Alt. Local:	+61 7 3145 4005		
New Zealand Toll Free:	0800 452 795	Hong Kong Toll Free:	800 968 273	Singapore Toll Free:	800 101 2702
Auckland Local:	+64 9 929 3905	India Toll Free:	000 800 100 8070	South Africa Toll Free:	0800 984 013
Canada/USA Toll Free:	1855 624 0077	Indonesia Toll Free:	007 803 321 8057	Switzerland Toll Free:	0800 802 498
China Toll Free:	1080 0140 1776	Ireland Toll Free:	1800 948 607	Taiwan Toll Free:	0080 112 7377
France Toll Free:	0800 913 734	Japan Toll Free:	0066 3386 8000	UAE Toll Free:	8000 3570 2706
Germany Toll Free:	0800 183 0918	Malaysia Toll Free:	1800 816 441	UK Toll Free:	0800 051 1453

In order to ask a question during the Live Question and Answer Session

Press * then 1 on your telephone keypad to enter the Q&A queue

Press * then 2 on your telephone keypad to withdraw your question

‘HEADWINDS IN THE FIRST HALF,
CONFIDENCE IN THE FUTURE’

KEY MESSAGES

TWO MAJOR FACTORS IMPACTING THE FIRST HALF

THEME PARKS

DREAMWORLD TRAGEDY IMPACT

- The continuing adverse impact from the Dreamworld tragedy – massive coverage resulted in shaking mums' confidence in taking children on rides
- Sydney Wet 'n' Wild sells on thrill, however Dreamworld tragedy impact was summed up by one local's comment *"those big towers gave me the 'heebie geebies'"*
- Recovery is similar to experience in other countries where the effect is diminishing

CINEMA EXHIBITION

TIMING OF RELEASE SCHEDULE WORLDWIDE

- As expected: weak first half

POSITIVE OUTLOOK - CONFIDENCE

THEME PARKS

- Confident of a **significant recovery** in 2H18 boosted by strong January trading – ticket yield is up 30% and admission revenue is up 24% on the prior period
 - Local visitor market (QLD) is well up on prior year showing pleasing signs of a resurgence in our core market
- Successful introduction of a **new pricing structure** and **enhanced customer focus**, coupled with **highly appealing new attractions**
 - *DC Rivals Hypercoaster* and arrival of *Mishka*, the Polar Bear cub, at Sea World
 - Acceptance of new annual pass pricing: \$139 vs previous \$89 (locals) and \$199 Vs \$99 (visitors)
 - Favourable competitive landscape – ideal time to re-orient pricing
 - Strong positive impact on yield / margin
 - Powerful creative marketing – T.V campaign

POSITIVE OUTLOOK - CONFIDENCE

CINEMA EXHIBITION

- An unprecedented 4 huge blockbusters in 2H18:

- *AVENGERS - INFINITY WAR*
- *DEAD POOL 2*
- *SOLO: A STAR WARS STORY*
- *JURASSIC WORLD - FALLEN KINGDOM*



ACTION ON COSTS

‘Difficult time is the best time for a savage attack on costs, with 3 key initiatives’

‘ONE CO’

- Comprehensive review, led by VRL’s Finance Director - Julie Raffe, to bring down the silos within our major businesses and removing costly duplication of various functional areas including Finance, IT, Digital Development and Human Resources to achieve significant savings

THEME PARKS

- To offset Dreamworld tragedy impact, VRTP have poured in additional enhancements and marketing. Now in CEO of Theme Parks - Clark Kirby’s words:

“Razor sharp focus on costs without impacting the customer experience”

ROADSHOW

- Focus to trim overheads in traditional business as morph direction into new broad based business model

In a difficult corridor companies turn to cost reduction, but often have no real growth initiatives. VRL has real growth plans that will see the company emerge stronger and more diverse.

1 TOPGOLF – A GLOBAL LEADER IN SPORTS ENTERTAINMENT

VRL HAS THE **EXCLUSIVE RIGHTS** IN AUSTRALIA FOR THE PROVEN TOPGOLF CONCEPT

TOPGOLF HAS A **FAST GROWING INTERNATIONAL FOOTPRINT** FOLLOWING ITS ENORMOUS SUCCESS IN THE U.S . VERY HIGH PAYBACKS.

38 SITES IN THE U.S ENTERTAINING 14+ MILLION GUESTS AND BUILDING 8 TO 10 SITES PER ANNUM

TOPGOLF - GOLD COAST IS ON TARGET AND ON BUDGET TO OPEN IN JUNE, 2018



Topgolf construction progress

2 NEW CINEMAS IN POPULATION GROWTH CORRIDORS

INCORPORATING OUR UNIQUE CONCEPTS TOWARDS **NICHE MARKET SEGMENTS** WITH A
FOCUS ON AN **EXCEPTIONAL FOOD & BEVERAGE OFFERING**



VILLAGE CINEMAS
GOLD CLASS



New Sites	Opening
Plenty Valley, VIC	Mar-18
Coomera, QLD	Late - 18
Green Square, NSW	Late - 18
Innaloo, WA	Late - 20
Clayton, VIC	Late - 20
Edmondson Park, NSW	Late - 20

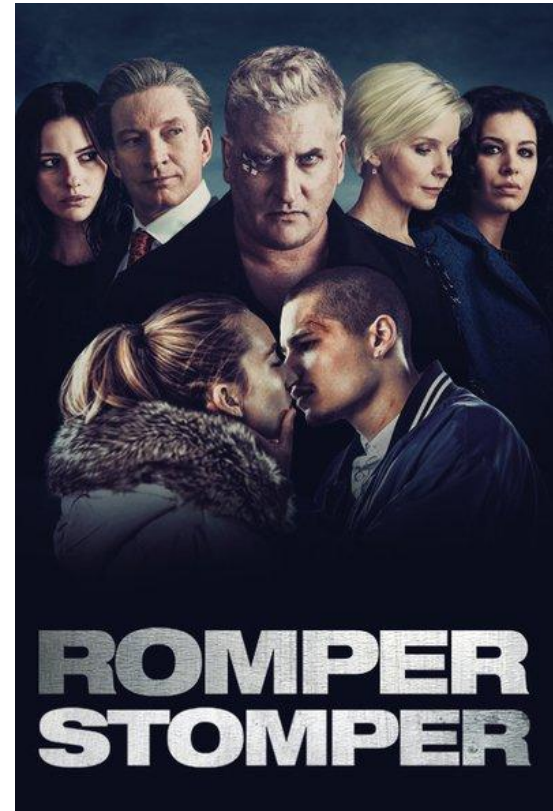
3 ROADSHOW – AUSTRALIAN FILM FUND AND T.V PRODUCTION

BOTH FILM DISTRIBUTION AND CINEMA EXHIBITION
WILL BENEFIT FROM A DYNAMIC SLATE OF
AUSTRALIAN FILMS IN DEVELOPMENT

MANY COUNTRIES HAVE SUCCESSFULLY
DEMONSTRATED THE POWER OF LOCAL CONTENT
– BRITAIN, GERMANY, SOUTH KOREA, JAPAN

CATALYST IN BUILDING MOMENTUM IN CINEMAS
AND 'LOCOMOTIVES' IN DISTRIBUTION

LONG TERM STRATEGY GAINING MOMENTUM



4 ASIAN THEME PARKS

TWO MAJOR OPPORTUNITIES UNDER
CONSTRUCTION

BOTH ARE MANAGEMENT AGREEMENTS
WITHOUT VRL EQUITY INVESTMENT

A SELECT NUMBER OF MAJOR PROJECTS ARE
IN DISCUSSION



MISSION HILLS – WET ‘N’ WILD

OPENING IN MAY 2018

LAI SUN – LIONSGATE ENTERTAINMENT WORLD

OPENING IN 1Q 2019

VRL SUCCESSFULLY REDUCED ITS LEVERAGE RATIO TO $< 3.0X$ AT DEC-17

PROCEEDS FROM THE SALE OF ITS 50% SHARE IN ITS SINGAPORE CINEMA EXHIBITION BUSINESS
AND SALE & LEASEBACK OF FREEHOLD LAND AT OXENFORD WERE USED TO REPAY DEBT

STRONG PLATFORM TO FULFIL FUTURE GROWTH AND DIVIDEND OBJECTIVES

ONLY UPSIDE IN REDUCING PIRACY FOR VRL'S FILM DEPENDENT BUSINESSES

NEW RESEARCH IS SHOWING PIRACY GROWTH GETTING ARRESTED

ATTACK ON A WIDE MULTI FACETED FRONT

BUILDING ON THE FACT THAT RECENT RESEARCH SHOWS 74% OF PEOPLE SEE PIRACY AS 'WRONG/THEFT'

BRYAN BROWN COMMERCIAL DEMONSTRATED VERY REAL RISKS OF ENGAGING WITH THE PIRACY WORLD

NEW COMMERCIAL TO APPEAL TO AUSTRALIANS WHO INHERENTLY 'DO THE RIGHT THING'

VRL GROUP FINANCIALS

VRL GROUP – KEY EARNINGS METRICS

Key Earnings Metrics (\$m)	Cinema Exhibition		Theme Parks		Film Distribution		Marketing Solutions		Corporate & Other		Group		
	1H18	1H17	1H18	1H17	1H18	1H17	1H18	1H17	1H18	1H17	1H18	1H17	FY17
EBITDA	21.7	32.4	29.2	42.6	9.9	10.8	3.6	7.4	(14.6)	(14.7)	49.8	78.4	136.3
EBIT	13.1	24.0	6.2	17.3	8.4	9.0	2.7	6.7	(15.5)	(15.2)	14.8	41.8	62.9
PBT	10.9	21.6	(0.6)	10.3	6.4	7.1	1.5	5.5	(17.4)	(17.4)	0.7	27.1	32.8

Notes:

EBITDA is Earnings Before Interest, Tax, Depreciation and Amortisation, excluding Material Items and Discontinued Operations.

EBIT is Earnings Before Interest and Tax, after Depreciation and Amortisation, excluding Material Items and Discontinued Operations.

PBT is Profit Before Tax, excluding Material Items and Discontinued Operations, also referred to as "Operating Profit".

Cinema Exhibition EBITDA in 1H17 included \$4.7m share of associate's profit from Singapore.

Refer page 11 of ASX Release on Half Year Report for details in relation to Material Items.

VRL GROUP – CASHFLOW

Operating Cash Flow (\$m)	Cinema Exhibition		Theme Parks		Film Distribution		Marketing Solutions		Corporate & Other		Group		
	1H18	1H17	1H18	1H17	1H18	1H17	1H18	1H17	1H18	1H17	1H18	1H17	FY17
EBITDA	21.7	32.4	29.2	42.6	9.9	10.8	3.6	7.4	(14.6)	(14.7)	49.8	78.4	136.3
Movement in Working Capital (1)	13.0	10.0	(10.0)	(7.0)	(18.8)	(2.1)	(4.6)	(4.5)	(1.9)	(0.8)	(22.2)	(4.3)	15.6
Belfast / Singapore Impact (2)	(11.9)	12.3	-	-	-	-	-	-	-	-	(11.9)	12.3	13.6
Interest & Tax	(2.6)	(2.4)	(6.8)	(7.0)	(2.0)	(1.9)	0.6	(1.2)	9.2	(9.4)	(1.6)	(21.9)	(35.1)
Operating Cash Flow	20.2	52.3	12.4	28.7	(10.8)	6.8	(0.4)	1.6	(7.3)	(24.9)	14.1	64.5	130.4
Capital Expenditure (3)	(9.8)	(6.6)	(34.9)	(35.5)	(1.3)	(1.0)	(2.0)	(0.9)	(1.7)	(2.8)	(49.7)	(46.8)	(79.5)
Free Cash Flow	10.4	45.7	(22.5)	(6.8)	(12.1)	5.8	(2.4)	0.8	(9.0)	(27.7)	(35.6)	17.7	50.9

(1) Movements in Working capital primarily relates to Film Distribution: reduction in creditors / accruals related to the timing of Film Distribution Royalties

(2) Belfast rent settlement paid in FY18 / Singapore cash dividends received in excess of equity accounted profit in FY17

(3) Capital Expenditure for Theme Parks in 1H18 includes \$10.5 million for Topgolf development

VRL GROUP – DEBT

On Balance Sheet Debt	Facility Expiry	Total Debt Drawn			
		Total Facility (\$m) 31 Dec 17	(\$m) 31 Dec 17	Total Debt Drawn (\$m) 30 Jun 17	Total Debt Drawn (\$m) 31 Dec 16
VRL Group Finance Facility	Dec-19	450.0	374.0	480.0	480.0
	Dec-20	50.0	-	140.0	150.0
Other	Various	11.9	7.0	7.5	9.3
Total		511.9	381.0	627.5	639.3
Cash on Hand		(75.7)	(75.7)	(100.4)	(85.5)
Net Debt on Balance Sheet		436.2	305.3	527.1	553.8

Debt & interest cover		
31 December 2017 (Annualised)	Net Debt / EBITDA	EBITDA / Net Interest
VRL Group	2.83x	4.55x

Notes:

1. Other includes remaining finance facilities and reduction from capitalised borrowing costs.
2. Sale and long-term leaseback of Oxenford land required to be treated as finance lease, with finance lease asset and finance lease liability of \$101.5 million recorded initially, and gain on sale of \$73.7 million treated as unearned revenue initially. For covenant calculations, finance lease liability excluded, but finance lease interest included.

THEME PARKS

THEME PARKS – KEY RESULTS

Key Results (\$m unless stated otherwise)	Gold Coast		Wet'n'Wild		Wet'n'Wild		Asia		Theme Parks (total)		
	Theme Parks		Sydney		Las Vegas		Theme Parks				
	1H18	1H17	1H18	1H17	1H18	1H17	1H18	1H17	1H18	1H17	FY17
Total Attendance ('000s)	2,508	2,663	173	235	198	177	-	-	2,879	3,076	5,726
Total Income	147.2	152.3	6.8	11.5	5.6	5.7	3.3	2.1	162.9	171.6	302.8
Total Expenses	(117.8)	(114.3)	(8.4)	(8.5)	(3.9)	(3.0)	(3.6)	(3.1)	(133.7)	(129.0)	(246.9)
EBITDA	29.4	38.0	(1.6)	3.0	1.8	2.7	(0.3)	(1.0)	29.2	42.6	55.9
Depreciation & Amortisation	(20.1)	(20.7)	(2.2)	(3.7)	(0.7)	(0.9)	-	(0.1)	(23.0)	(25.3)	(50.7)
Interest Expense (Net)	(5.0)	(5.1)	(1.2)	(1.2)	(0.6)	(0.6)	-	-	(6.8)	(7.0)	(14.0)
PBT	4.3	12.1	(5.0)	(1.9)	0.5	1.2	(0.3)	(1.1)	(0.6)	10.3	(8.8)
Non-controlling Interests	-	-	-	-	(0.2)	(0.6)	-	-	(0.2)	(0.6)	(0.3)
PBT After Minority Interests	4.3	12.1	(5.0)	(1.9)	0.3	0.6	(0.3)	(1.1)	(0.8)	9.7	(9.1)
Total Capital Expenditure	(32.3)	(32.2)	(0.9)	(3.2)	(1.7)	(0.1)	-	(0.0)	(34.9)	(35.5)	(53.7)

Gold Coast 1H18 Capital Expenditure includes investments in a number of rides, attractions and upgrades including \$10.5m investment in Topgolf.

GUEST EXPERIENCE & MARKETING FOCUS TO LEAD RECOVERY

- Village Roadshow Theme Parks' first half trading continued to be impacted by the Dreamworld tragedy. Decline in 1H18 includes full impact of the tragedy in comparison to the prior period as financial impact in 1H17 was largely offset by the usual recognition of deferred revenue.
- To offset Dreamworld tragedy impact, VRTP have poured in additional enhancements and marketing
- The introduction of this **new ticketing plan** along with opening of **highly successful DC Rivals Hypercoaster** is accelerating the rate of recovery as reflected by **strong January trading** – ticket yield is up 30% and admission revenue is up 24% on the prior period
- VRTP management is **confident** of **significantly exceeding the prior full year** result
- **Powerful creative marketing campaigns** will make sure VRTP's offering ***"Irresistible and must see"***

ONE PASS MARKETING CAMPAIGN

VRTP'S NEW SIMPLIFIED PRICING STRATEGY

A NEW TICKETING PLAN FOCUSED ON
IMPROVING OVERALL VALUE TO GUESTS

PRICING STRATEGY IS RIGID AND THERE ARE NO
OTHER CATEGORIES OR DISCOUNTS

BENEFITS OF THIS NEW TICKETING PLAN ARE
EXPECTED TO DRIVE A RECOVERY IN 2H18 AND
BEYOND WHEN EXISTING DISCOUNTED TICKETS
BEGIN TO LAPSE

VRTP IS CONFIDENT OF AN **INCREASE IN TICKET
YIELD** AS A RESULT OF IMPLEMENTING THIS NEW
TICKETING PLAN

New Gold Coast Ticket Offering

\$79 *	\$119	\$149	\$179	\$199	OR \$139 for locals
1 day	2 day	7 day	14 day	Annual	
1 park	2 park	3 park	4 park	4 park	
	(MW & SW)	(MW, SW, WnW)	(MW, SW, WnW, PC)	(MW, SW, WnW, PC)	

* \$79 (online) / \$89 (at gate)



SPECIAL EVENTS - CONTINUE TO DELIVER RECORD RESULTS

A HIGHLIGHT FOR THE FIRST 6 MONTHS
WITH RECORD RESULTS FOR FRIGHT
NIGHTS & WHITE CHRISTMAS.

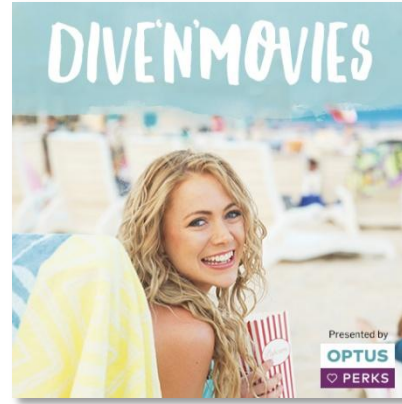
CARNIVALE HAS ESTABLISHED ITSELF AS
OUR 3RD MAIN EVENT WITH SELL OUT
CROWDS AT SEA WORLD.

ENTRY TO WHITE CHRISTMAS & CARNIVALE
ARE INCLUDED IN NEW ANNUAL PASS -
MAJOR VALUE ADD FOR VISITORS



WET 'N' WILD SYDNEY

- First half trading was impacted by the Dreamworld tragedy and inconsistent weather during the peak season
- Despite strong January trading, VRTP expect Sydney's full year result to be down on the prior year
- Whilst attendance was soft in 1H18, the park's NPS score is excellent
- A number of **enhanced guest experience** initiatives have been well received by guests and resulted in excellent customer feedback
- **Special Events** including *Dive In Movies* and *Summer DJ Sessions* continue to perform well with strong attendance on warmer days



CINEMA EXHIBITION

CINEMA EXHIBITION - KEY RESULTS AND OUTLOOK

Key results (\$m unless stated otherwise)	1H18	1H17	FY17
Paid Admissions - Australia (m) (1)	12.2	13.1	26.1
Sales Revenue	131.1	144.9	296.0
Other Income	12.4	12.7	30.3
Total Expenses	(121.9)	(128.5)	(258.2)
EBITDA - Australia	21.6	29.1	68.1
EBITDA - Singapore (Share of Associate's Profit) (2)	-	4.7	8.4
EBITDA - Other (3)	0.1	(1.4)	0.1
EBITDA - Total	21.7	32.4	76.6
Depreciation & Amortisation	(8.5)	(8.3)	(16.8)
Interest Expense (Net)	(2.2)	(2.4)	(4.5)
PBT	10.9	21.6	55.3
<i>Total Capital Expenditure</i>	<i>(9.8)</i>	<i>(6.6)</i>	<i>(17.4)</i>



Notes:

(1) Paid Admissions include Admissions to cinemas in which VRL has an economic interest, taking no account of ownership structure.

(2) Sale of GV Singapore completed October 2017, with equity accounting ceased from June 2017

(3) Other includes Intensity, Belfast and iPic Theaters (25% owned, share of associate's results).

SOFT FIRST HALF IMPACTED BY PRODUCT SCHEDULING

- Cinema Exhibition experienced a slow start to the financial year due to a lack of quality titles because of release scheduling
- The division's higher than normal capital expenditure on existing sites is coming to an end as most locations are in outstanding condition
- Expected to pick up the bulk of slack in Q4 with four huge blockbusters:
 - *Avengers - Infinity War*
 - *Dead Pool 2*
 - *Solo: A Star Wars Story*
 - *Jurassic World - Fallen Kingdom*
- Focus on our unique brands and concepts including  **max**, **Gold Class** and  **Junior**
- Sale of VRL's 50% share in its Singapore Exhibition business generated net proceeds of c. \$164m

TRAILER - JURASSIC WORLD

JUNIOR - STRONG PERFORMANCE, 2 NEW LOCATIONS ADDED

AUSTRALIA'S FIRST CHILDREN'S
CINEMA CONCEPT CONTINUES TO
PERFORM STRONGLY

2 NEW LOCATIONS LAUNCHED:
FOUNTAIN GATE (JUN-17) & KNOX
(SEP-17)

FURTHER ROLLOUT PLANNED FOR LATE
MARCH OPENING IN TIME FOR THE
EASTER SCHOOL HOLIDAY PERIOD -
PLENTY VALLEY AND **SUNSHINE**

 JUNIOR IS ALSO PLANNED FOR THE
CASTLE HILL SITE (IN NSW)



IPIC ENTERTAINMENT

- iPic Entertainment (“iPic”) listed on the NASDAQ in February 2018, raising US\$15m
- iPic will utilise the new capital to fund its ongoing development program
- VRL’s ownership of iPic following the IPO is c.25% - valued at US\$36.4m as at 9 February 2018. VRL carries this investment at nil in its accounts due to the equity accounting standards
- VRL’s contingent liability relating to this business has reduced from US\$24m to US\$6m
- iPic currently has 16 sites in operation, with the most recent site, Dobbs Ferry successfully opening in May 2017



FILM DISTRIBUTION

FILM DISTRIBUTION - FIRST HALF RESULTS

Key results (\$m)	1H18	1H17	FY17
Sales revenue	184.8	204.7	359.3
Other Income	0.3	0.4	0.2
Share of Associate's Profit	0.6	0.9	3.2
Total Expenses	(175.8)	(195.2)	(341.5)
EBITDA	9.9	10.8	21.2
Depreciation & Amortisation	(1.6)	(1.8)	(3.6)
EBIT	8.4	9.0	17.7
Interest Expense (Net)	(2.0)	(1.9)	(3.8)
PBT	6.4	7.1	13.8
<i>Total Capital Expenditure</i>	<i>(1.3)</i>	<i>(1.0)</i>	<i>(1.7)</i>

FIRST HALF RESULTS & FULL YEAR

- First half impacted by disappointing product exacerbated by Netflix / STAN affecting physical business
- Strengthened relationships with key partners: Foxtel, STAN, Netflix and building key relationships with new entrants: Amazon Studios and AMC
- Second half projecting some stronger titles, including Steven Spielberg' blockbuster *Ready Player One*, *Ocean's 8* and *Life of The Party*. However, expect some weakness amongst some upcoming independent titles which could significantly impact trading in the second half.
- The division completed a comprehensive review of its business model with a view to slimming down its operating costs and maximise earnings
- Cost savings in the vicinity of \$2.5m to be effected in FY19 with some one-off costs in FY18 incurred to realise this
- FY18 overall expected to be materially lower than prior year

TRAILER – READY PLAYER ONE

THE NEW ROADSHOW – 4 PILLARS

ROADSHOW IS MORPHING TO A NEW MORE DIVERSE BUSINESS MODEL

1 CORE DISTRIBUTION BUSINESS - NEW STREAMLINED MODEL

- Less acquisitions of expensive overseas productions
- Focus on well advanced slate of Australian content

2 AUSTRALIAN FILM FUND

- Worldwide yearning for local product
- Access attractive government incentives & partnerships to create hit movies, some with global potential

3 T.V PRODUCTION

- Roadshow Rough Diamond launched with *Romper Stomper*
- Blink TV focus on Eurovision Asia

4 FILMNATION

- Sales and production company accessing international revenue streams.
The Big Sick sold to Amazon Studios for release to most of the world.



MARKETING SOLUTIONS

1H18 PERFORMANCE - BUILDING FOR GROWTH

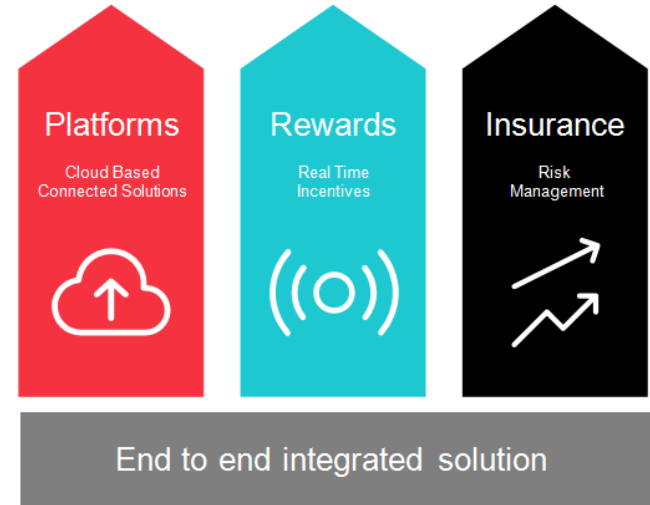
- Marketing Solutions first half trading was down on the prior year, primarily due to the division investing in its market leading promotional platforms to deliver more innovative, efficient and impactful behavioural incentive campaigns.
- Half year result was also impacted by costs of expansion into US and Asia and the timing of some key promotions being moved into the second half of the financial year.
- Fundamentals of the business are strong, with investment in the sales team and support infrastructure across all territories to provide a strong pipeline of activity that is expected to drive significant future growth.

Key earnings metrics (\$m)	1H18	1H17	FY17
EBITDA	3.6	7.4	9.8
EBIT	2.7	6.7	8.5
PBT	1.5	5.5	6.0
<i>Total capital expenditure</i>	<i>(2.0)</i>	<i>(0.9)</i>	<i>(1.6)</i>



OUTLOOK

- Edge plans to strengthen its position in all markets by continuing to invest in promotional data analytics, predictive intelligence and connective capabilities
- The division continues to identify and execute cost synergies to maintain a strict hold on overheads whilst the business grows
- Priority for Opia is to continue to grow its existing customer base in the UK and Europe, and extend its geographical reach worldwide



CORPORATE

Key results (\$m)	1H18	1H17	FY17
EBITDA - Corporate	(11.2)	(11.9)	(21.5)
EBITDA - Digital & IT Development	(3.5)	(2.8)	(5.7)
EBITDA - Corporate & Other	(14.6)	(14.7)	(27.2)
Depreciation & Amortisation	(0.9)	(0.5)	(1.1)
Interest Expense (Net)	(1.8)	(2.2)	(5.2)
PBT	(17.4)	(17.4)	(33.5)
<i>Total Capital Expenditure</i>	<i>(1.7)</i>	<i>(2.8)</i>	<i>(5.1)</i>

- Focus on cost reduction across all areas
- Continued review of IT infrastructure and technology to support improved eCommerce capabilities
- Consolidation of data to support “ONE CO” model

SUMMARY

- PASSIONATE AND DYNAMIC DRIVING OF VRL'S TWO BIG BUSINESSES – THEME PARKS AND CINEMA EXHIBITION. THERE ARE REASONS FOR DOWNTURN AND CONFIDENT OF SIGNIFICANTLY IMPROVED PROFITABILITY.
- SAVAGE, NO PRISONERS, ATTACK ON COSTS
- REAL GROWTH STRATEGIES
- MAINTAIN REDUCED DEBT RATIOS AND PAY DIVIDENDS

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 applicable) financial statements.

Included in the VRL Half-Year Financial Report (pages 4 & 5) is a Reconciliation of Results which provides further detail on the Non-IFRS financial information contained in this presentation.