

FULL YEAR RESULTS PRESENTATION

2016



VILLAGE ROADSHOW LIMITED

VRL FY16 RESULTS TELECONFERENCE DETAILS

VILLAGE ROADSHOW LIMITED FY16 RESULTS TELECONFERENCE

Date of call	Thursday 25 th August 2016
Time of call	2:00pm AEST (Melbourne/Sydney time)
Conference ID	61549933

Participant International Dial-In :

Participant International Dial-In Number:	+61 2 8373 3550
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Participant Local Dial-In Numbers:

Australia	+61 2 8373 3507
China, Domestic	40 0120 3169
China, Domestic Landline	80 087 00211

Participant Australian Toll Free Dial-In Numbers:

Australia	1800 175 864
Australia, mobile	1300 212 365

PARTICIPANT INTERNATIONAL TOLL FREE DIAL-IN NUMBERS:

Argentina	08004444844	Korea (South)	0079861361781
Austria	0800295044	Malaysia	1800816793
Belgium	080072736	Mexico	018001124555
Brazil	08000201589	Netherlands	08000233882
Bulgaria	008001201107	New Zealand	0800444845
Canada	18552771647	Norway	80010865
Chile	12300201228	Peru	080055429
Colombia	018005183541	Philippines	180016120169
Czech Republic	800701609	Poland	008006411208
Denmark	80251312	Portugal	800827833
Finland	80080010400	Russian Federation	88001006448
France	0800913217	Singapore	8006162312
Germany	08001860810	South Africa	0800997777
Hong Kong	800963435	Spain	900834792
Hungary	0680109825	Sweden	020798766
India	0008001008657	Switzerland	0800835820
India	180030000595	Taiwan	00801232490
Indonesia, PT Indosat	0018030204844	Thailand	0018006121037
Indonesia, PT Telkom	0078030204844	United Arab Emirates	800035703563
Ireland	1800551449	United Kingdom	08082341368
Israel	1809450461	United States	18558230291
Italy	800791896	Venezuela	08001362069
		Vietnam	18004820



STRONG CASHFLOWS AND THE BUILDING BLOCKS FOR GROWTH

EBITDA \$168.8 MILLION¹

PROFIT AFTER TAX \$50.9 MILLION¹

CONTINUED COMMITMENT TO SHAREHOLDER RETURNS

DECLARED FINAL DIVIDEND OF 14CPS PAYABLE OCTOBER 2016 (FULLY FRANKED)

¹ Before material items and discontinued operations





GROUP HIGHLIGHTS & KEY FY16 RESULTS

VRL GROUP – EARNINGS METRICS

Key Earnings Metrics (\$m)	Theme Parks (1)		Cinema Exhibition		Film Distribution		Marketing Solutions (2)		Corporate & Other (1)		Group	
	FY16	FY15	FY16	FY15	FY16	FY15	FY16	FY15	FY16	FY15	FY16	FY15
EBITDA	88.0	87.5	82.0	71.5	24.5	34.6	8.0	2.9	(33.7)	(30.8)	168.8	165.7
EBIT	38.2	38.8	66.3	56.9	21.0	31.6	7.0	2.4	(35.4)	(32.2)	97.1	97.5
PBT	23.4	22.6	62.5	53.3	17.4	28.7	5.6	2.2	(39.6)	(35.6)	69.3	71.2

Refer to divisional sections for more detail.

Notes:

(1) Asia development costs have been included in the Theme Parks division – they were previously included in Corporate & Other.

(2) In late December 2015, VRL acquired UK-based sales promotion business Opia. Edge Loyalty and Opia comprise the Marketing Solutions Division. Acquisition costs for Opia were written off in 1H16, included in Material Items.

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".



VRL GROUP - CASHFLOW

	Theme Parks (1)		Cinema Exhibition		Film Distribution		Marketing Solutions (2)		Corporate & Other (1)		Group	
Operating Cash Flow (\$m)	FY16	FY15	FY16	FY15	FY16	FY15	FY16	FY15	FY16	FY15	FY16	FY15
EBITDA	88.0	87.5	82.0	71.5	24.5	34.6	8.0	2.9	(33.7)	(30.8)	168.8	165.7
Movement in Working Capital	(5.5)	4.2	(6.2)	10.7	(9.3)	(3.8)	(7.6)	(1.6)	(7.2)	(8.2)	(35.8)	1.3
Interest & Tax	(14.8)	(16.2)	(3.8)	(3.6)	(3.6)	(2.9)	(1.4)	(0.2)	(27.1)	(32.8)	(50.7)	(55.7)
Operating Cash Flow	67.7	75.5	72.0	78.6	11.6	27.9	(1.0)	1.1	(68.0)	(71.8)	82.3	111.3
Capital Expenditure	(61.5)	(49.4)	(30.1)	(19.6)	(1.0)	(2.3)	(0.8)	(1.5)	(5.5)	(8.2)	(98.9)	(81.0)
Free Cash Flow	6.2	26.1	41.9	59.0	10.6	25.6	(1.8)	(0.4)	(73.5)	(80.0)	(16.6)	30.3

The negative movement in working capital is a result of an overall reduction in group trade payables and trade receivables compared to the prior year, partially offset by an increase in unearned revenues from Theme Park ticket sales.

Notes:

(1) Asia development costs have been included in the Theme Parks division – they were previously included in Corporate & Other.

(2) In late December 2015, VRL acquired UK-based sales promotion business Opia. Edge Loyalty and Opia comprise the Marketing Solutions Division.



VRL GROUP – DEBT

On Balance Sheet Debt	Facility Expiry (Calendar year)	Total Facility (\$m) 30 Jun 16	Total Debt Drawn (\$m) 30 Jun 16	Total Debt Drawn (\$m) 31 Dec 15	Total Debt Drawn (\$m) 30 Jun 15 (1)
VRL Group Finance Facility	2019	480.0	480.0	480.0	
	2020	320.0	110.0	110.0	
Other	Various	13.8	9.1	7.7	
Total		813.8	599.1	597.7	497.5
Cash on Hand			(64.3)	(108.7)	(95.3)
Net Debt on Balance Sheet			534.8	489.0	402.2

Debt & interest cover FY16	Net Debt / EBITDA	EBITDA / Net Interest
VRL Group	3.2x	6.1x

- Consolidation of the main Divisional and Corporate finance facilities completed in December 2015
 - Increased facility limit and extended expiry dates
 - The staged restructuring of finance facilities since December 2014 has resulted in significant cost reductions and increased flexibility

Notes:

(1) 30 June 2016 debt does not map directly to 30 June 2015 due to restructure of debt facilities.

Other includes remaining finance facilities and reduction from capitalised borrowing costs.





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			
	FY16	FY15	FY16	FY15	FY16	FY15	FY16	FY15	FY16	FY15
Total Attendance ('000s)	5,427	5,184	568	671	318	348	-	-	6,313	6,203
Total Income	289.1	278.5	23.5	28.4	12.3	11.4	5.4	3.9	330.3	322.2
Total Expenses	(209.0)	(199.4)	(14.5)	(18.4)	(8.7)	(8.0)	(10.1)	(8.9)	(242.3)	(234.7)
EBITDA	80.1	79.1	9.0	10.0	3.6	3.4	(4.7)	(5.0)	88.0	87.5
Depreciation & Amortisation	(40.9)	(40.5)	(7.1)	(6.3)	(1.7)	(1.9)	(0.1)	-	(49.8)	(48.7)
Interest Expense (Net)	(11.0)	(12.3)	(2.5)	(2.7)	(1.3)	(1.2)	-	-	(14.8)	(16.2)
PBT	28.2	26.3	(0.6)	1.0	0.6	0.3	(4.8)	(5.0)	23.4	22.6
Non-controlling Interests	-	-	-	-	(0.3)	(0.1)	-	-	(0.3)	(0.1)
PBT After Minority Interests	28.2	26.3	(0.6)	1.0	0.3	0.2	(4.8)	(5.0)	23.1	22.5
Total Capital Expenditure	(59.2)	(39.7)	(1.7)	(9.3)	(0.6)	(0.4)	-	-	(61.5)	(49.4)

Gold Coast Capital Expenditure includes investments in a number of rides, attractions and upgrades including Sound Stage 9 at Village Roadshow Studios (approximately \$15 million), Nickelodeon Land at Sea World and the DC Villains Unleashed area and Doomsday Destroyer ride at Warner Bros. Movie World.

Note: Asia development costs have been included in the Theme Parks division – they were previously included in Corporate & Other.



THEME PARKS - FY16

- Theme Parks' FY16 Group EBITDA marginally up on FY15 at \$88.0m
 - Carrying substantial deferred revenue into FY17 as a result of the membership program and VIP Pass pre sales
- Sea World Resort is the highest occupancy premium hotel on the Gold Coast with occupancy over 90%
- The Conference Centre added a new dimension to the business and exceeded expectations
- Gold Coast parks enjoyed increasing visits by Chinese guests (now 8% of attendance)
 - New flights into the Gold Coast and Brisbane being rapidly added
 - Generally considered the beginning of a substantial growth curve





- Warner Bros. Movie World special events (*Fright Nights*, *Carnivale* and *White Christmas*) have been very successful with record profits
- Launched membership program for the Gold Coast parks
 - Offers consumers the benefit of smaller monthly payments while providing higher yields
- Wet'n'Wild Sydney: As reported at 1H16, decline in ticket sales due to unseasonably wet weather
 - Contingency campaigns launched to boost sales, stabilising the business in 2H16
- Wet'n'Wild Las Vegas: CY15 was the first full season of competition with second water park in Las Vegas
 - Re-opened in April 2016 and is outperforming the prior year

REVENUE RECOGNITION – MEMBERSHIPS & VIP PASSES

- Memberships
 - First 12 months: proportionately based on number of months falling in the financial year
 - 13th month onwards: as received on monthly basis
 - Deferred revenue taken into FY17 relating to memberships is in the low-mid single digit millions
- VIP Passes
 - Revenue from VIP Passes is recognised in the financial year as they carry an end of financial year expiry



FY17 WILL BE A BUSY YEAR FOR THE GOLD COAST THEME PARKS



- DC Comics *Super Villains Unleashed* area and *Doomsday Destroyer* ride launch in September 2016
- Paradise Country repositioning as “spend a family day on the farm”
- Launch of the groundbreaking virtual reality initiative on the *Arkham Asylum* Rollercoaster
- Big results expected from the Easter *Carnivale* event
- Introduction of *Hollywood Stunt Driver 2: Go Carts* into the live show arena
- New show at Australian Outback Spectacular
- Sea World Plaza retail and food area



STRATEGIC AND OPERATIONAL INITIATIVES PLANNED FOR SYDNEY

- *Dinosaur Lagoon* for kids and families
- Premium lounge with panoramic views and high quality food
- Summer Concert Series in conjunction with Sony Music
- Guest experience enhancements
 - Additional shade structures
 - Slide queue reservation system to reduce time in queues
- Introduction of a membership program
- Introduction of a special event program (*Fright Nights*)





CINEMA EXHIBITION

CINEMA EXHIBITION – KEY RESULTS

Key results (\$m unless stated otherwise)	FY16	FY15
Paid Admissions - Australia (m) (1)	26.5	26.4
Sales Revenue	300.8	278.3
Other Income	27.5	23.9
Total Expenses	(254.7)	(236.3)
EBITDA - Australia	73.6	65.9
EBITDA - Singapore (Share of Associate's Profit)	11.7	8.2
EBITDA - Other (2)	(3.3)	(2.6)
EBITDA - Total	82.0	71.5
Depreciation & Amortisation	(15.7)	(14.6)
Interest Expense (Net)	(3.8)	(3.6)
PBT	62.5	53.3
<i>Total Capital Expenditure</i>	<i>(30.1)</i>	<i>(19.6)</i>

Cinema Exhibition's Capital Expenditure largely related to new sites opened across the Australian circuit during FY16.

Notes:

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

(2) Other includes Intency, Belfast and iPic Theaters (30% owned, share of associate's results).



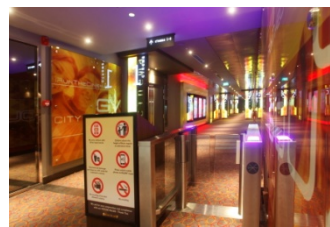
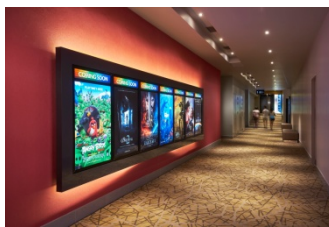
CINEMA EXHIBITION - FY16

- Fifth consecutive full year record EBITDA of \$82.0 million
- Strong product line-up supported outstanding performance
 - *Star Wars: The Force Awakens, Finding Dory, Deadpool, Spectre, Captain America: Civil War* and *Hunger Games: Mockingjay Part 2* were key titles
- Increased average ticket price and spend per person driven by food, premium screens and record functions and events
- Australian Circuit's Christmas Gifting made a record \$40.0 million across the national circuit (including joint venture sites)
- Australian Circuit continues to expand extremely popular and successful premium **Gold Class**, **max** and **premium** offerings
- Growth of the Australian loyalty program
- Record result for Singapore Cinema Exhibition



SINGAPORE CIRCUIT

- Number one circuit in Singapore with 43.7% market share
- Increased average ticket price and spend per person
- Tiong Bahru (five screens) reopened May 2016





FILM DISTRIBUTION

FILM DISTRIBUTION – KEY RESULTS

Key results (\$m)	FY16	FY15
Sales revenue	377.1	364.5
Other Income	0.2	2.6
Share of Associate's Profit	1.1	1.0
Total Expenses	(353.9)	(333.5)
EBITDA	24.5	34.6
Depreciation & Amortisation	(3.5)	(3.0)
EBIT	21.0	31.6
Interest Expense (Net)	(3.6)	(2.9)
PBT	17.4	28.7
<i>Total Capital Expenditure</i>	<i>(1.0)</i>	<i>(2.3)</i>



FILM DISTRIBUTION - FY16



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

- Despite stand-out titles (*Mad Max: Fury Road*, *Oddball* and *Game of Thrones Season 5*), Roadshow suffered from weak overall product slate and low margin titles
- FY16 represented the first full 12 months of distributing Warner Bros. Home Entertainment product
 - This agreement provides market share and profile albeit with lower margins on revenues
- Roadshow Television is a leading supplier of content to the growing SVOD platforms in Australia
 - Second year deals with Netflix and Stan agreed



A NUMBER OF INITIATIVES IMPLEMENTED IN FY16

- In FY16 Roadshow undertook a restructure to reduce overheads
 - Cost savings expected from FY17
- New Zealand office closed in FY16 as part of an optimisation strategy
 - Distribution of product for New Zealand now managed out of Australia
- Content ownership key as the market transitions to digital channels
 - Roadshow positioned across the product lifecycle
 - Strong content library
 - Partnerships with leading studios
 - Distribution agreements with leading digital providers
 - Output agreement with STX secured in FY16
 - Studio and production company
 - FY17 releases include *Bad Moms* (August 2016)

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



FY17 IS PROMISING

- FY17 has got off to a tremendous start with DC Comic's *Suicide Squad* and will finish the year with *Wonder Woman*
- JK Rowling's *Fantastic Beasts and Where to Find Them* looms giant
- *Red Dog True Blue* opens Boxing Day
 - VRL confident in the sequel to the spectacularly successful original (biggest ever DVD and home entertainment sales in Roadshow's history)
- Other potential box office successes include
 - *Power Rangers*
 - *Sully*
 - *King Arthur: Legend of the Sword*
 - *Lego Batman*

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





MARKETING SOLUTIONS

MARKETING SOLUTIONS – KEY RESULTS

Key earnings metrics (\$m)	FY16	FY15
EBITDA	8.0	2.9
EBIT	7.0	2.4
PBT	5.6	2.2
<i>Total capital expenditure</i>	<i>(0.8)</i>	<i>(1.5)</i>



MARKETING SOLUTIONS - FY16

- The Marketing Solutions division works with leading global brands to help them sell more product, acquire more customers and retain business
- FY16 has seen Marketing Solutions continue to expand its portfolio of complementary products and services to meet existing clients' promotional needs
 - Winning more business from existing accounts
 - Opening up new opportunities
- 80% of Opia acquired in December 2015 for \$50 million
 - Positions Marketing Solutions as a truly global player
- Key clients serviced through FY16 were Harvey Norman, Simply Energy, Lion Nathan, HP and Lenovo





FILM PRODUCTION

VREG - FY16

- VREG released five films in FY16 through the partnerships with Warner Bros. and Sony
- In FY16, VRP completed a renewal of its film financing facilities for USD775 million until 2021
- Village Roadshow Pictures Asia received industry recognition for its titles *Go Away Mr Tumor* and *Mountain Cry* while *Cold War 2* broke two Chinese box office records

Note: Artwork shown relates to VRL as a producer of these titles



VILLAGE ROADSHOW LIMITED

The background is a solid dark blue with a complex, abstract pattern of lighter blue lines and shapes. On the left side, there are several large, stylized, overlapping 'V' or 'X' shapes formed by multiple parallel lines. On the right side, there are horizontal lines of varying thicknesses. In the center, the text 'CORPORATE & OTHER' is written in a bold, sans-serif font.

CORPORATE & OTHER

CORPORATE & OTHER – KEY RESULTS

Key results (\$m)	FY16	FY15
EBITDA - Corporate	(28.7)	(28.5)
EBITDA - Corporate Other	0.4	1.1
EBITDA - Digital & IT Development (1)	(5.4)	(3.4)
EBITDA - Corporate & Other	(33.7)	(30.8)
Depreciation & Amortisation	(1.7)	(1.4)
Interest Expense (Net)	(4.2)	(3.4)
PBT	(39.6)	(35.6)
<i>Total Capital Expenditure</i>	<i>(5.5)</i>	<i>(8.2)</i>

DIGITAL & IT DEVELOPMENT

- Invested in infrastructure upgrades and new technology in FY16 to support operations and enhance customer experience
- Digital Development continues to be a critical focus for VRL, as data and technology enables greater knowledge of customers, driving sales, increasing customer satisfaction and reducing costs

Notes:

(1) Digital & IT Development is focused on the innovation of digital tools, solutions and the IT needs associated with infrastructure upgrades and new technology to support the operation of the business.

Asia development costs have been included in the Theme Parks division – they were previously included in Corporate & Other.





BUILDING BLOCKS FOR GROWTH

**MANY COMPANIES' CORE BUSINESSES
ARE TROUBLED AND STRUGGLING
TO FIND REAL GROWTH**

**VRL HAS A PROGRAM IN PLACE IN EACH OF ITS
BUSINESSES THAT IS REAL AND UNDERWAY**



BUILDING BLOCKS - THEME PARKS



- In the final stages of design and planning to operate Topgolf sites across Australia – with over 20 sites already opened in the USA, Topgolf has received outstanding paybacks
- Work is underway on the Gold Coast to utilise some of the vacant land and diversify VRTP's offering – announcement CY16
- The Village Cube (previously "Big Box") mini theme park concept under development, with discussions advancing to roll out in China
- Consultation and management agreements in place
 - Mission Hills: operate Wet'n'Wild Haikou on Hainan Island (opening CY17)
 - Lai Sun: consult on construction then operate Lionsgate themed immersive experience centre at Novotown on Hengqin Island (opening CY18)
- There is considerable development and investigation on other opportunities in Asia with announcements anticipated during the latter part of CY16



BUILDING BLOCKS – FILM PRODUCTION

- Shifting the emphasis to global brands and franchises
- Amongst VREG's upcoming releases, a number have significant franchise and sequel potential
 - *Ready Player One* – currently in production with director Steven Spielberg who will bring this popular science fiction book to the screen
 - *King Arthur: Legend of the Sword* – this film by director Guy Ritchie brings a fresh take on the legend
 - *Oceans Eight* – starring an all-star female cast, the film offers a compelling and unique take on the beloved franchise
- Engaged in discussions to co-produce and co-finance long form television content for traditional multi channel networks as well as streaming services such as Netflix and Amazon
- 'Portfolio' approach applied to the dynamic and expanding Chinese market



BUILDING BLOCKS - EXHIBITION

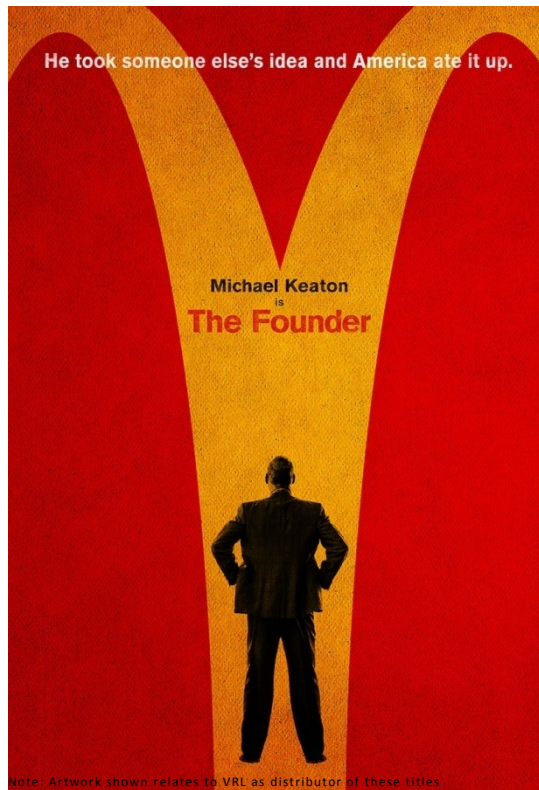
- Deals are signed and work underway on major cinema complexes in new growth corridor areas including the ever popular **Vmax** and **Gold Class** concepts

Location	Expected Opening	Total Screens	Vmax	GOLD CLASS
Palmerston, Northern Territory	Mid 2017	6	2	-
Whitford, Western Australia	Late 2017	8	2	2
Plenty Valley, Victoria	Mid 2018	9	2	3
Coomera, Queensland	Late 2018	8	2	2
Innaloo, Western Australia	Late 2018	14	4	4
Green Square, New South Wales	Late 2018	5	-	-

- Eight screen Golden Village site at the SingPost Centre at Paya Lebar due to open in CY17
- iPic Theaters continues to develop its portfolio of market leading cinema and dining experience



BUILDING BLOCKS – FILM DISTRIBUTION

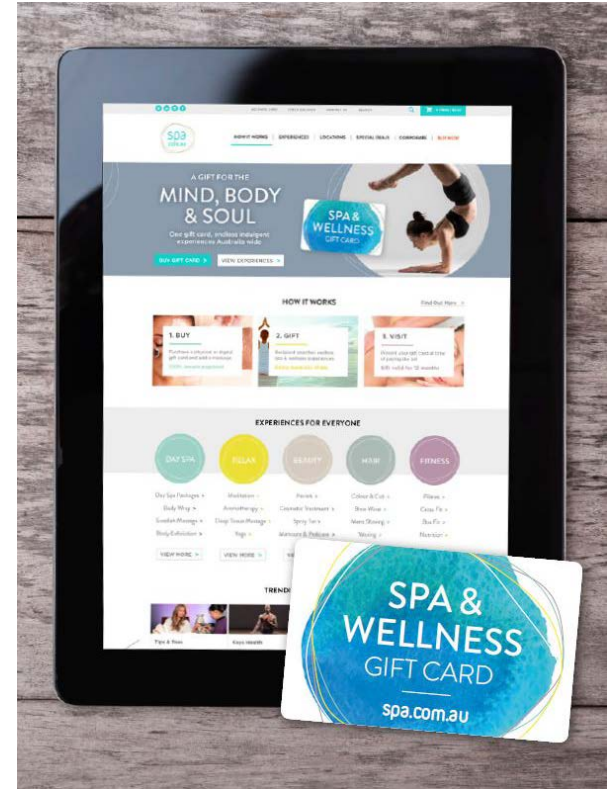


- 31% owned FilmNation is an international production and sales company with an ongoing program of development
 - Has two de-risked titles upcoming (*The Founder* and *Arrival*)
- Roadshow Rough Diamond formed in conjunction with John and Dan Edwards to produce TV content for domestic and international audiences
- Currently developing a program of Australian feature films with announcement imminent



BUILDING BLOCKS - MARKETING SOLUTIONS

- Has laid a solid platform for growth in FY17, by capitalising on a broad range of complementary solutions to meet the evolving needs of clients
- Has re-signed a number of key clients in Australia and UK that will provide a solid base for growth within existing accounts
- Recently increased its sales force and account management teams to meet growing demand - expecting to capitalise on this investment in FY17
- Global expansion now underway, with UK operations providing a platform for growth across Europe and North America



VRL has unique assets that are not affected by
the challenges facing many sectors

Simply stated:

PEOPLE WILL ALWAYS WANT TO GO OUT!

With strong cashflows, a commitment to paying dividends and the determination to continue as a high yield stock, coupled with very real growth initiatives, we couldn't be more confident about our future



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 financial statements. It is noted that the audit of the financial statements for the year ended 30 June 2016 is still in the process of being completed.

Included in the ASX Appendix 4E (page 21 & 22) is a Reconciliation of Results which provides further detail on the Non-IFRS financial information contained in this presentation.

