

VILLAGE ROADSHOW LIMITED

Half year FY20 results

21 February 2020



VILLAGE ROADSHOW

VRL 1H FY20 teleconference details

21 FEBRUARY 2020 2:00 PM AEDT

Access a webcast of the briefing by following this link:

<https://services.choruscall.com.au/webcast/vrl-200221.html>

Alternatively, to pre-register for the teleconference 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.

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

If unable to register, call 1800 455 963 (Australia Toll Free) at the time of the conference and advise that you wish to join the Village Roadshow FY20 Half Year Results Teleconference.



1H FY20 key updates

Group	<ul style="list-style-type: none">• Maintained strong balance sheet with leverage of 1.67x at 31 December 2019• Following the two separate unsolicited non-binding proposals, VRL has engaged with both parties in relation to due diligence
Theme Parks	<ul style="list-style-type: none">• Record ticket sales and ticket yield have now been complemented by improving volume, with attendance growth of 12% on prior comparative period• Well progressed on construction of <i>The Vortex</i> at the <i>New Atlantis</i> precinct at Sea World, with opening slated in time for the Easter school holidays
Cinema Exhibition	<ul style="list-style-type: none">• 1H FY20 Box office revenues were in line with prior year, driven by key titles <i>The Lion King</i>, <i>Spider Man: Far From Home</i>, <i>Star Wars: The Rise of Skywalker</i>, <i>Jumanji: The Next Level</i>, <i>Frozen 2</i> and <i>Joker</i>. Unfavourable film hire rates due to title mix had a negative impact on EBITDA.• V rewards loyalty program continues to support admissions growth and underpins steady uplift in Concessions revenue in the Village managed circuit
Distribution	<ul style="list-style-type: none">• 1H FY20 earnings impacted by delay in Pay TV contract renewal and underperformance of theatrical titles• Continuing shift towards digital presents an opportunity for growth, as reflected by additional sales to Amazon and Stan in 1H FY20• Future revenue streams reassessed leading to impairment of goodwill and film library. The remaining carrying value of the film library reflects expected future revenues.
Marketing Solutions	<ul style="list-style-type: none">• Sale of Edge Loyalty Systems to Blackhawk Network completed on 31 October 2019• Strong earnings improvement from Opia in 1H FY20 while building foundations for future growth





VRL Group Financials

VRL Group – Key earnings metrics

VRL has adopted the new lease accounting standard, AASB 16 *Leases*, from 1 July 2019. The key 1H FY20 results below have been presented both including and excluding the impact of AASB 16, as comparatives have not been restated under the standard. All following results will be presented excluding the impact of AASB 16

Key Earnings Metrics (\$m)	Theme Parks			Cinema Exhibition			Film Distribution			Marketing Solutions			Corporate & Other			Group		
	1H20	1H20	1H19	1H20	1H20	1H19	1H20	1H20	1H19	1H20	1H20	1H19	1H20	1H20	1H19	1H20	1H20	1H19
	incl	excl		incl	excl		incl	excl		incl	excl		incl	excl		incl	excl	
	AASB16	AASB16		AASB16	AASB16		AASB16	AASB16		AASB16	AASB16		AASB16	AASB16		AASB16	AASB16	
EBITDA ⁽¹⁾	43.9	42.5	39.7	44.2	23.5	24.9	1.0	0.4	8.2	4.2	4.1	1.9	(9.7)	(11.4)	(9.8)	83.6	59.1	65.0
EBIT ⁽²⁾	18.8	18.3	17.5	21.7	15.2	16.0	(1.4)	(1.5)	6.5	3.4	3.4	1.0	(12.0)	(12.4)	(10.7)	30.5	23.1	30.2
PBT ⁽³⁾	9.9	10.2	9.1	14.5	14.1	13.4	(2.9)	(2.9)	4.7	2.3	2.3	(0.4)	(12.6)	(12.4)	(11.2)	11.1	11.4	15.6
NPAT ⁽⁴⁾	6.9	6.6	6.2	9.7	9.4	8.3	(2.2)	(2.2)	3.7	1.2	1.2	(0.6)	(8.5)	(8.3)	(4.7)	7.1	6.7	12.8

Notes

- (1) EBITDA is Earnings Before Interest, Tax, Depreciation and Amortisation, excluding Material Items and Discontinued Operations. EBITDA including AASB16 excludes fixed lease costs of \$24.5 million.
- (2) EBIT is Earnings Before Interest and Tax, after Depreciation and Amortisation, excluding Material Items and Discontinued Operations. EBIT including AASB 16 for 1H FY20 excludes \$24.5 million of fixed lease costs offset by \$17.1 million depreciation on right-of-use lease assets.
- (3) PBT is Profit Before Tax, excluding Material Items and Discontinued Operations, also referred to as "Operating Profit". PBT including AASB 16 for 1H FY20 excludes \$24.5 million of fixed lease costs offset by \$17.1 million depreciation on right-of-use lease assets and \$7.7 million of interest on lease liabilities.
- (4) NPAT is Net Profit After Tax and Non-Controlling Interest, excluding Material Items and Discontinued Operations. NPAT including AASB 16 for 1H FY20 includes \$0.7 million of tax effect differences relating to the AASB 16 adjustments.

Refer page 8 for details in relation to Material Items.



VRL Group – Cashflow

	Cinema Exhibition		Theme Parks		Film Distribution		Marketing Solutions		Corporate & Other		Group	
Operating Cash Flow (\$m)	1H20	1H19	1H20	1H19	1H20	1H19	1H20	1H19	1H20	1H19	1H20	1H19
EBITDA ⁽¹⁾	23.5	24.9	42.5	39.7	0.4	8.2	4.1	1.9	(11.4)	(9.8)	59.1	65.0
Movement in Working Capital	7.9	1.7	11.6	(6.2)	(1.8)	2.4	0.4	9.3	(5.6)	0.6	12.5	7.8
Cash Impact of Material Items	-	-	-	(0.3)	(2.0)	-	-	(0.4)	(0.9)	(2.8)	(2.8)	(3.6)
Interest & Tax	(1.2)	(2.1)	(6.7)	(6.8)	(1.4)	(1.8)	(1.1)	(1.4)	1.2	(4.1)	(9.3)	(16.3)
Operating Cash Flow	30.1	24.4	47.5	26.3	(4.8)	8.9	3.3	9.4	(16.6)	(16.1)	59.5	52.9
Capital Expenditure	(9.9)	(1.6)	(23.5)	(22.6)	(0.8)	(0.6)	(1.4)	(0.8)	(1.7)	(0.9)	(37.3)	(26.5)
Free Cash Flow	20.2	22.8	23.9	3.7	(5.6)	8.3	1.9	8.6	(18.3)	(17.0)	22.2	26.4

Notes

(1) Excludes the impact of AASB16 leases on operating cash flow as fixed lease expenses are included in EBITDA



VRL Group – Debt

On Balance Sheet Debt	Facility Expiry (Calendar year)	Total Facility (\$m) 31 Dec 19	Total Debt Drawn (\$m) 31 Dec 19	Total Debt Drawn (\$m) 30 Jun 19	Total Debt Drawn (\$m) 31 Dec 18
VRL Group Finance Facility	2022	229.6	154.6	164.6	199.6
	2024	110.4	110.4	110.4	110.4
Other ⁽¹⁾	Various	10.4	6.5	6.3	5.8
Total		350.4	271.5	281.3	315.8
Cash on Hand		n/a	(73.1)	(61.7)	(99.4)
Net Debt on Balance Sheet		n/a	198.4	219.6	216.4

Debt & Interest Cover 31 December 2019 (Annualised)	Net Debt / EBITDA	EBITDA / Net Interest
VRL Group ⁽²⁾	1.67x	4.66x

Notes:

(1) Other includes remaining finance facilities including Las Vegas debt.

(2) Interest cover excludes interest costs relating to AASB16 Leases (\$7.7m)



VRL Group – Material Items

- Material items loss after-tax of \$32.9 million in 1H FY20 included the following:
 - Impairment of assets of \$39.7 million pre-tax, including:
 - impairment of Film Distribution royalty amounts of \$16.4 million,
 - impairment of goodwill of \$17.1 million relating to Film Distribution,
 - impairment of assets at Wet'n'Wild Las Vegas of \$5.1 million before non-controlling interest; and
 - Loss on disposal of Edge Loyalty Systems of \$0.6 million pre-tax

Material Items	\$m
Impairment and other non-cash adjustments	(39.7)
Loss on disposal	(0.6)
Pre-tax total	(40.3)
Income tax benefit	4.8
Non-controlling interests	2.6
Attributable loss after tax	(32.9)





| Theme Parks

Theme Parks – Key results

Key Results ⁽¹⁾ (\$m unless stated otherwise)	Gold Coast		Topgolf		Wet'n'Wild		Asia		Theme Parks	
	Theme Parks				Las Vegas		Theme Parks		(total)	
	1H20	1H19	1H20	1H19	1H20	1H19	1H20	1H19	1H20	1H19
Total Attendance ('000s)	2,581	2,306	201	247	110	122	-	-	2,893	2,676
Total Income	162.6	156.3	10.9	14.5	5.8	4.7	4.0	3.8	183.3	179.3
Total Expenses	(123.6)	(119.8)	(8.5)	(11.9)	(5.1)	(3.6)	(3.6)	(4.2)	(140.8)	(139.6)
EBITDA	39.0	36.5	2.4	2.6	0.7	1.1	0.4	(0.4)	42.5	39.7
Depreciation & Amortisation	(22.3)	(20.8)	(1.2)	(0.9)	(0.5)	(0.6)	(0.1)	0.0	(24.2)	(22.3)
Interest Expense (Net) ⁽²⁾	(7.1)	(7.2)	(0.5)	(0.6)	(0.6)	(0.5)	0.0	-	(8.1)	(8.4)
PBT	9.6	8.5	0.7	1.1	(0.4)	-	0.2	(0.5)	10.2	9.1
Non-Controlling Interests	-	-	-	-	0.2	-	-	-	0.2	-
PBT After Non-Controlling Interests	9.6	8.5	0.7	1.1	(0.2)	-	0.2	(0.5)	10.4	9.1
<i>Total Capital Expenditure</i>	<i>(22.7)</i>	<i>(21.8)</i>	<i>(0.6)</i>	<i>(0.6)</i>	<i>(0.2)</i>	<i>(0.2)</i>	<i>(0.0)</i>	-	<i>(23.5)</i>	<i>(22.6)</i>

- Village Roadshow Studios 1H FY20 EBITDA impacted by the cancellation of two mid-tier productions

Notes

(1) Figures exclude AASB16 leases impact

(2) 1H FY20 Interest expense includes approximately \$4.8m in relation to the Finance lease on the Oxenford land



Strong first half driven by attendance growth

- Gold Coast Theme Parks EBITDA improved 7% to \$39.0 million in 1H FY20 from \$36.5 million in the prior corresponding period, primarily driven by:
 - strong growth in attendance (12% on prior year), and
 - increase in ticket yield (6% on prior year)
- Record deferred revenue balance due to higher annual pass sales in November and December 2019, prior to price increase in December
 - Deferred revenue balance at 31 December 2019 was \$7.5 million higher than at 31 December 2018
 - 2H FY20 earnings are expected to benefit from the higher revenue recognition from activation of multi-visit passes
- Village Roadshow Studios earnings in 1H FY20 are below prior year due to cancellation of two mid-tier productions
- Exciting new Theme Parks Master Brand campaign launched in September, bringing together all Village Roadshow Theme Parks (“VRTP”) properties and positioning our parks as the premier theme park offering in Gold Coast



High Yield Ticket Strategy reinforced by enhanced customer value

		Village Single Day	Multi-Day Tickets			Village One Pass	
Validity		1 Day 1 Park	3 Days (MW & SW only)	7 Days (MW, SW, WNW)	14 Days (MW, SW, WNW, PC)	Annual Pass (MW, SW, WNW, PC)	Local Pass (MW, SW, WNW, PC)
Dec-17	Web/Call Centre	\$79	\$119	\$149	\$179	\$199	\$139
	Front Gate	+\$10	+\$10	+\$10	+\$10	+\$10	+\$10
Dec-18	Web/Call Centre	\$89+	\$129	As above	As above	\$215	\$149
	Front Gate	+\$10	+\$10	+\$10	+\$10	+\$15	+\$10
Dec-19	Web/Call Centre	\$89 - \$99+	\$139	\$159	\$189	\$229	\$159
	Front Gate	+\$10	+\$10	+\$10	+\$10	+\$15	+\$10

14% increase in annual
Local pass price over the
last 2 years

Delivering value through initiatives which enhance customer experience:

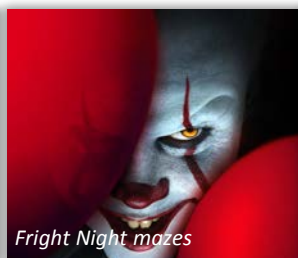
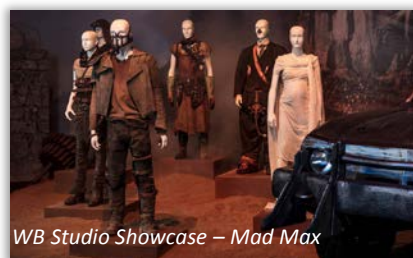
- ✓ Continuous focus on streamlining in-park experience
- ✓ Inclusion of entry to Special Events *White Christmas* and *Carnivale* in the annual pass
- ✓ High impact attractions ensure there's "always something to talk about" without extensive capital spend
- ✓ Improved customer choice through new F&B options at Warner Bros. Movie World
- ✓ Improved online experience through the Accesso platform



5 Park Highlights

1H FY20 attendance at all 5 parks is up on prior comparative period

- 1 **Warner Bros. Movie World** *Fright Nights* set new records on ticket sales and in-park spend, headlined by *IT* and *Zombieland Double Tap* themed mazes. Additional nights added to sold out *White Christmas* event due to strong demand.
- 2 Attendance at **Sea World** grew 7% in 1H FY20 on prior corresponding period
- 3 **Wet'n'Wild** had strong attendance, in-park spend and improved NPS
- 4 The popular new show *Heartland* at **Australian Outback Spectacular** drove strong ticket sales growth. Customer experience is further enhanced by the implementation of a new system (Showare) for smoother online purchases
- 5 Tiger Cubs were a major drawcard at **Paradise Country's** Global Conservation Centre, resulting in a 24% growth in attendance on prior corresponding period



Sea World Resort

#1 for occupancy in its category

- Sea World Resort continues to perform strongly, improving occupancy to 91% in 1H FY20 while increasing average daily room rate
- Sea World Conference Centre and Corporate events assisting the overall strategy
- Successful launch of low capital F&B experiences, *The Boatshed Bar and Grill* and *Melrose Pizzeria* have improved customer choice and driven F&B revenue growth

Sea World Resort	1H FY19	1H FY20	% change
KPIs			
Average daily room rate (\$)	219	227	3%
Occupancy (%)	90.1%	91.2%	1%



Village Roadshow Studios

- 1H FY20 earnings impacted by the cancellation of two mid-tier productions
- Production of Baz Luhrmann's untitled Elvis Presley biopic has started and is expected to continue to July 2020
- Continuing to work closely with QLD government and Screen Queensland to ensure QLD remains at the forefront of film production in Australia



Topgolf Gold Coast

- 1H FY20 EBITDA was slightly below prior year, as prior corresponding period benefited from strong demand from Topgolf's launch
- Excellent customer satisfaction
- Focus on growing attendance through expanding brand awareness to interstate and Brisbane market
- Continued success in refining the wage model
 - Achieved 33% labour savings in 1H FY20 on prior comparative period
- Integration of Topgolf into theme park operating functions has streamlined various processes and expanded Topgolf's marketing reach



Asia Theme Parks and Las Vegas Wet'n'Wild

Asia Theme Parks

- Lionsgate Entertainment World (LEW) successfully opened on 31 July 2019
 - VRTP is now managing the park and has started receiving management fees
- VRTP continues to pursue key projects in Asia, with a focus on management operating agreements and no capital investment

Las Vegas Wet'n'Wild

- Park concluded its first full season with a new management team and strategy
- Strong improvement in ticket sales and revenue on prior year
- 1H FY20 EBITDA of \$0.7 million was below prior year (\$1.1 million), primarily driven by one-off operating expenses not expected to arise in 2H FY20
- Park is now closed with planning underway for the new operating calendar. Further EBITDA improvement anticipated in the 2020 season.



Theme Parks – Outlook

- Trading since December 2019 has continued to perform well, however, the parks have been impacted by flooding with major parks being closed for two days and the effect of international tourists not visiting due to the coronavirus
- The extreme weather and coronavirus are expected to have an unfavourable impact of circa \$3 million on 2H FY20 results
- Easter school holidays scheduling across the states provides an extended holiday visitation window in April and opening of *The Vortex* in March at Sea World will provide support to 2H FY20 earnings
- Return of DC *Super Heroes and Super Villains* at Warner Bros. Movie World in the mid year school holidays





Cinema Exhibition

Cinema Exhibition – Key results

Key results ^{(1) (3)} (\$m unless stated otherwise)	1H20	1H19
Paid Admissions - Australia (m) ⁽²⁾	12.3	12.3
Total Income	151.3	149.6
Total Expenses	(127.8)	(124.6)
EBITDA - Australia	23.5	25.0
EBITDA - Other	-	(0.1)
EBITDA - Total	23.5	24.9
Depreciation & Amortisation	(8.2)	(8.8)
Interest Expense (Net)	(1.1)	(2.6)
PBT	14.1	13.4
<i>Total Capital Expenditure</i>	<i>(9.9)</i>	<i>(1.6)</i>

Notes

(1) Figures exclude AASB16 Leases impact

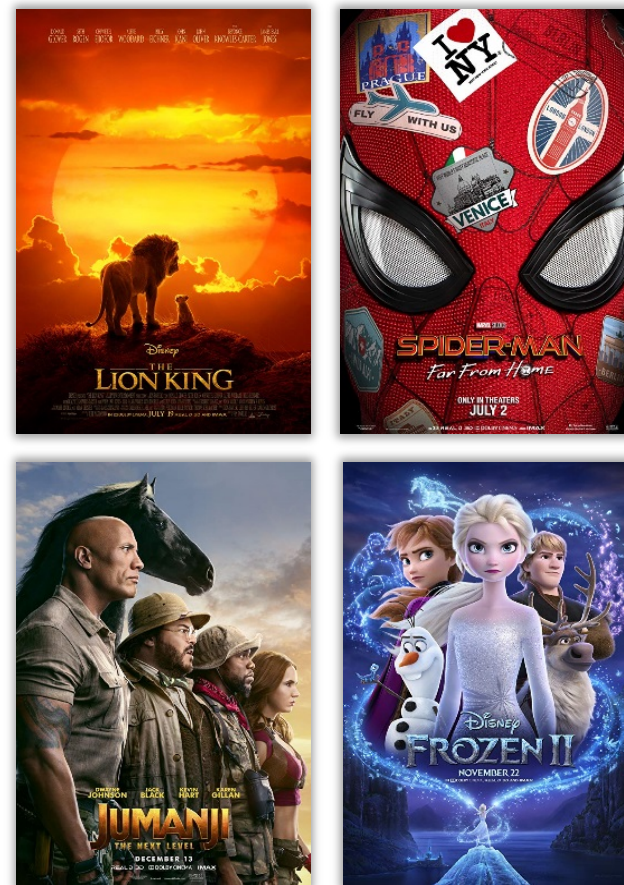
(2) Paid Admissions include 100% of Admissions to joint venture cinemas in which VRL has an economic interest, taking no account of ownership structure

(3) Figures presented are VRL share, before material items



1H FY20 update

- Strong box office performance in 1H driven by *The Lion King*, *Spider Man: Far from Home*, *Star Wars: The Rise of Skywalker*, *Jumanji: The Next Level*, *Frozen 2* and *Joker*, ensured box office revenue stayed on par with prior year
- 1H FY20 EBITDA of \$23.5 million is lower than prior corresponding period (\$24.9 million) primarily due to unfavourable film hire rates driven by 1H FY20 title mix
- Continued admissions growth in the Village circuit through the **V rewards** program resulted in increased concession sales



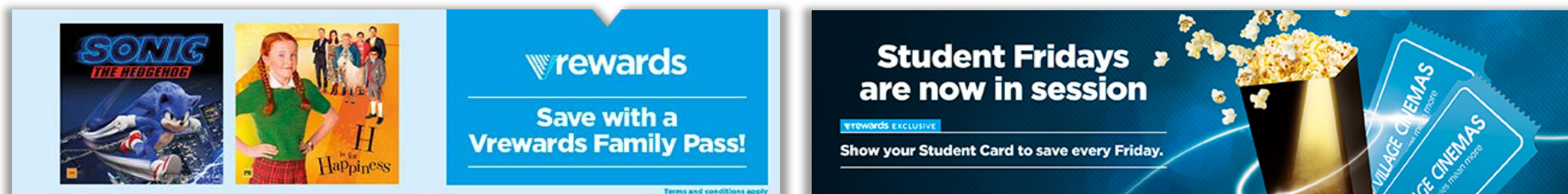
Note: Artwork shown relate to VRL as exhibitor of these titles



V rewards loyalty program continues to deliver strong growth in member base

Attractive \$15 every day prices for members supports admissions growth

- V rewards program over 1 million members (31.5% growth on prior year)
- Strategy has contributed to growth in admissions and concession sales in the Village circuits
- Tailored programs for key demographic segments, including families, students and seniors



Fashionable venues and exciting food & beverage experiences

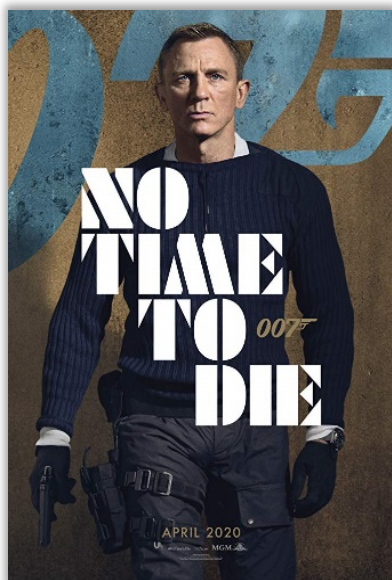
VRL is re-energising major sites to ensure its cinemas satisfy the ‘experience economy’

- Upcoming refurbishments and redesigns in line with this strategy include:
 - Refurbishment of Morwell completed in 1H FY20; and
 - New bar and entertainment concept in the Knox cinema foyer scheduled in 2H FY20
- Two new sites set to open in mid 2020 are expected to contribute to a full year of earnings in FY21
 - M-City Clayton (VIC) will feature a ‘taphouse’ style bar, a craft food and beverage menu, innovative ordering technology and premium seating; and
 - Edmondson Park (NSW), part of the new Ed.Square Town Centre shopping and entertainment precinct



Cinema Exhibition – Outlook

Full year box office is forecast to be in line with FY19, with key 2H titles including *No Time To Die*, *Fast & Furious 9*, *Wonder Woman 1984*, *Black Widow* and *Onward*



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





Film Distribution

Film Distribution – Key results

Key results ⁽¹⁾ (\$m)	1H20	1H19
Total Income	115.1	173.3
Share of Associate's Profit ⁽²⁾	0.7	2.0
Total Expenses	(115.4)	(167.0)
EBITDA	0.4	8.2
Depreciation & Amortisation	(1.8)	(1.8)
EBIT	(1.5)	6.5
Interest Expense (Net)	(1.4)	(1.8)
PBT	(2.9)	4.7
<i>Total Capital Expenditure</i>	<i>(0.8)</i>	<i>(0.6)</i>

Notes

(1) Figures exclude AASB16 leases impact

(2) The presale of *Life Itself* to Amazon by FilmNation drove the increase in VRL's share of associate's profit in 1H FY19



1H FY20 update

- 1H FY20 EBITDA of \$0.4 million was down on prior corresponding period (\$8.2 million)
 - Reduced Pay TV revenue due to delay in renewal of Foxtel contract
 - Strong performance from *Joker*, *Hustlers* and *Angel Has Fallen* offset by underperformance of titles including *Ugly Dolls*, *Late Night* and *21 Bridges*
- Streamlined management structure has resulted in reduction in overheads
- A review of expected future revenue streams to align non-theatrical revenues with recent changes in the Australian industry has resulted in impairment of Roadshow's goodwill and film library (as set out on slide 8)
- Whilst this is a large write down, the remaining carrying value of the film library reflects expected future revenues



Low-cost investment approach to film and TV production

Roadshow Rough Diamond

- *Les Norton* drama series delivered to ABC in 1Q FY20, with various other projects in development



Blink TV

- Produced *Eurovision – Australia Decides* in February 2020
- Will produce *Tour de France* and *Mardi Gras* on SBS in 2H FY20



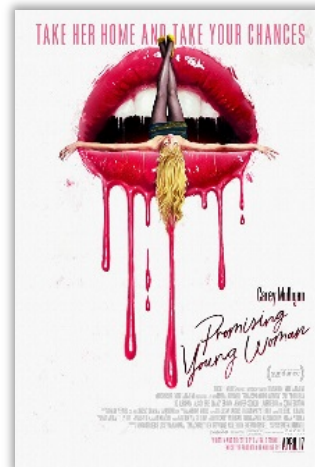
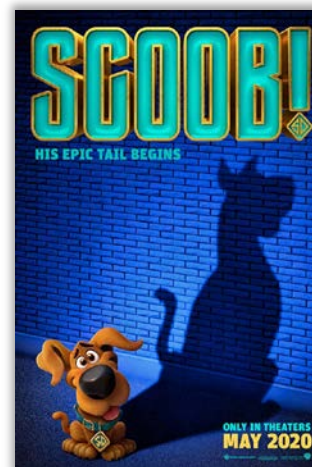
FilmNation

- Film titles releasing in CY20 include *The Personal History of David Copperfield*, *Ironbark*, *Promising Young Woman* and *The Nest*
- Key projects on FilmNation's TV slate include *I Know This Much Is True*, *The House of The Spirits* and *Feminist Fight Club*.



Film Distribution - Outlook

- 2H FY20 earnings are supported by:
 - Key 2H titles include The Gentlemen (which is performing above expectation), Wonder Woman 1984, Promising Young Woman and Scoob!
 - Recent renewal of Foxtel contract (two-year term)
 - Content slates confirmed with key TV partners
- Committed to following a more prudent and targeted film acquisition strategy going forward
- As the physical home entertainment market continues to decline, Roadshow remains focused on growing revenue from digital channels and diversifying its earnings streams





Marketing Solutions

Marketing Solutions – Key results

Key earnings metrics ^{(1) (2)} (\$m)	1H20	1H19
EBITDA	4.1	1.9
EBIT	3.4	1.0
PBT	2.3	(0.4)
<i>Total capital expenditure</i>	<i>(1.4)</i>	<i>(0.8)</i>

Notes

(1) Figures exclude AASB16 Leases impact

(2) Figures presented are before non-controlling interests relating to Opia, and before material items

- Marketing Solutions achieved an EBITDA of \$4.1 million in 1H FY20, a \$2.1 million improvement on 1H FY19 (\$1.9 million)
- Sale of Edge Loyalty Systems to Blackhawk Network completed on 31 October 2019, with Edge contributing circa \$1.5 million of EBITDA in its four months of operation in 1H FY20
- Opia accounted for circa \$2.5 million of EBITDA in 1H FY20 representing a \$3 million improvement on the prior corresponding period, driven by revenue contribution from new territories USA and South Africa



Opia – Outlook

- Strong momentum in 1H FY20 expected to continue into 2H to deliver a significantly better full year result than prior year
- Opia is well positioned for expansion following a comprehensive business review and investments in new functions and sales resources to support future growth
- Opportunity to grow existing customer base in the UK and Europe while continuing to expand in South Africa and the USA
 - Expansion will leverage on taking long-term existing clients into new territories while establishing new relationships and entering new industry sectors.
 - US expansion showing early success, with ongoing discussions with a number of new clients for future promotions





| Corporate

Corporate – Key results

Key results ⁽¹⁾ (\$m)	1H20	1H19
EBITDA	(11.4)	(9.8)
Depreciation & Amortisation	(1.0)	(1.0)
Interest Expense (Net)	0.0	(0.4)
PBT	(12.4)	(11.2)
<i>Total Capital Expenditure</i>	<i>(1.7)</i>	<i>(0.9)</i>

Notes

(1) Figures exclude AASB16 leases impact

- 1H FY20 EBITDA was unfavourable to prior year as identified during the FY19 results announcement





| Summary

Summary

- Gold Coast Theme Parks profitability continues to improve. 1H FY20 ticket sales, ticket yield and attendance show growth.
- Cinema division largely in line with prior year
- Maintained a strong balance sheet, net debt reduced from \$219.6 million to \$198.4 million, with a corresponding reduction in interest expense
- Improved leverage to 1.67x at 31 December 2019 from 1.76x at 30 June 2019
- Sale of Edge to Blackhawk Network (Australia) completed on 31 October 2019
- Commitment to prudent capital spend
- Whilst the Board remains committed to an ongoing, sustainable dividend policy, an interim FY20 dividend has not been declared
- Following the two separate unsolicited non-binding proposals from Pacific Equity Partners and BGH Capital, VRL has engaged with both parties in relation to due diligence



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 reviewed financial statements.

Included in the VRL Half-Year Financial Report (pages 3 & 4) is a Reconciliation of Results which provides further detail on the Non-IFRS financial information contained in this presentation.



