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FULL YEAR RESULTS PRESENTATION

2018

VILLAGE ROADSHOW LIMITED

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VRL FY18 TELECONFERENCE DETAILS

23 AUGUST 2018 2:00 PM AEST (NSW, VIC, TAS, ACT)
CONFERENCE ID: 365120

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 365120 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

“External factors significantly impacted FY2018, Improved performance expected for FY2019”



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FY18 HIGHLIGHTS

BUSINESS OPERATIONS

Theme Parks

- Lower than expected attendances over the Easter school holidays, due to the Commonwealth Games on the Gold Coast
- Positive impact of new pricing strategy - Improved ticket yield in June and July as consumers returned to higher priced annual and multi-day passes

Cinema Exhibition

- Softer trading due to underperformance of key titles in 1H FY18 partially offset by Blockbuster releases in Q4 FY18
- Plenty Valley opened in Melbourne's north, showcasing all of Village Cinema's entertainment concepts

Film Distribution

- Impacted by underperformance of certain titles and ongoing decline of the physical DVD market as it transitions to a digital universe

Marketing Solutions

- Strengthened its position by continuing to invest in its promotional platforms, data analytics and connective capabilities

ACTION ON COST

- Initiatives were implemented, delivering cost savings of $8m on an annualised basis including operational cost savings and OneCo cost reduction
- Continuing with further identification of cost duplication and cost efficiencies

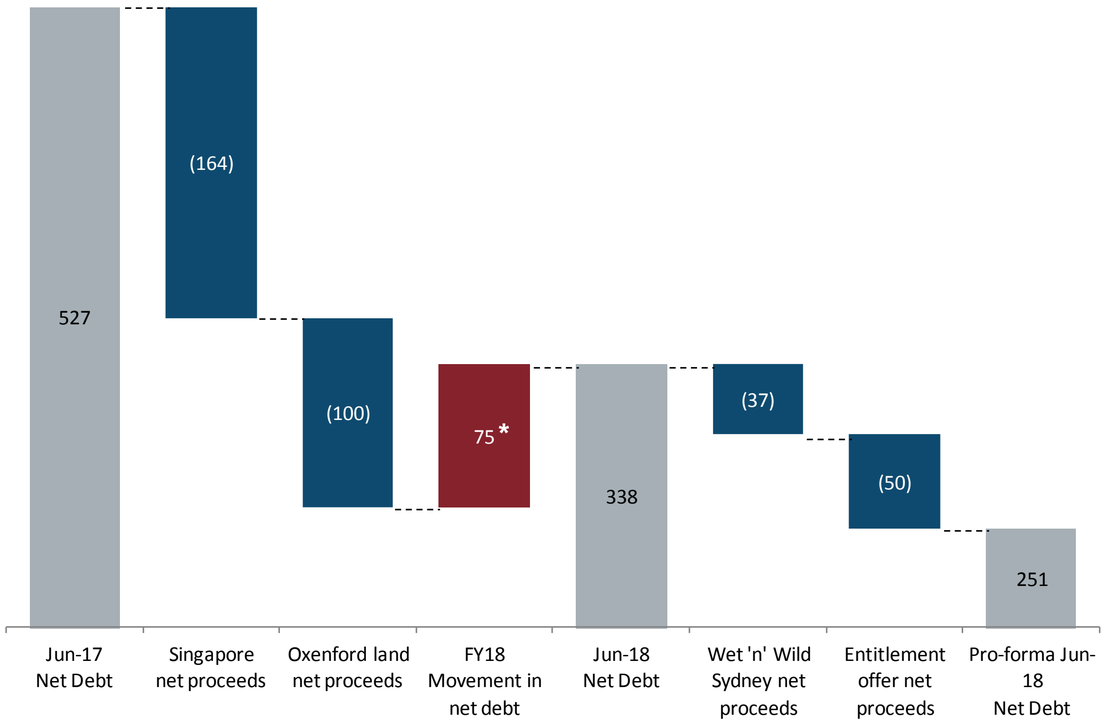
CAPITAL MANAGEMENT

Proactive steps taken to strengthen VRL's balance sheet

- Various asset sales, including
  - Sale of VRL's 50% interest in its Singapore Exhibition business
  - Sale and leaseback of freehold land at Oxenford
  - Sale of Wet'n'Wild Sydney
- Entitlement offer supported by Village Roadshow Corporation shareholders

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STRENGTHENED BALANCE SHEET



	Jun-17	Jun-18	Pro forma Jun-18
Net Debt / EBITDA	**3.87x**	**3.72x**	**2.77x**

Net proceeds from the Entitlement Offer and asset sales used to reduce group net debt by $276m.

Notes:
** The $75 million increase in net debt for FY18 (excluding net proceeds) mainly related to capital expenditure of $84.9m, which included Topgolf amount of $19.2 million.*

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“Our clear goals now are to sell tickets and drive free cash flow while bringing to bear laser focus on operating costs and capital expenditure.”

FY19 OUTLOOK

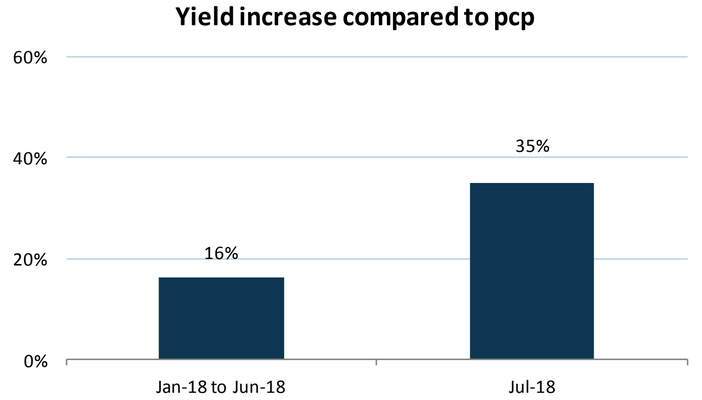
THEME PARKS	**New pricing strategy** • Recent results support confidence around pricing strategy and its contribution to earnings recovery in FY19 • Core ticket sale revenues expected to substantially increase in FY19 following removal of discount resellers from the market effective June 2018 **Topgolf** • Full year earnings contribution commencing FY19 • Successfully opened June 2018 with strong attendance and outstanding guest feedback
CINEMA EXHIBITION	• Full year earnings from new sites, including Plenty Valley • A number of blockbuster releases anticipated in FY19 including the new *Avengers, Mamma Mia - Here We Go Again, Aladdin, Mary Poppins, Aquaman* and others • Launched a $15 all day, every day ticket offering to Reward members
FILM DISTRIBUTION	• Encouraged by the upcoming product line-up in what is a 'hit' driven business • Ongoing initiatives to reduce piracy • Diversification of revenue streams
MARKETING SOLUTIONS	• Continue to grow its existing customer base, extend its activity into new product sectors and leverage long term relationships with key clients to enter new countries • Expected to benefit from international expansion program – USA and Asia
COST REDUCTION	• Ongoing OneCo initiatives to drive efficiency through removing duplication of various functional areas • Additional reduction in operational costs targeted across VRL's divisions and corporate

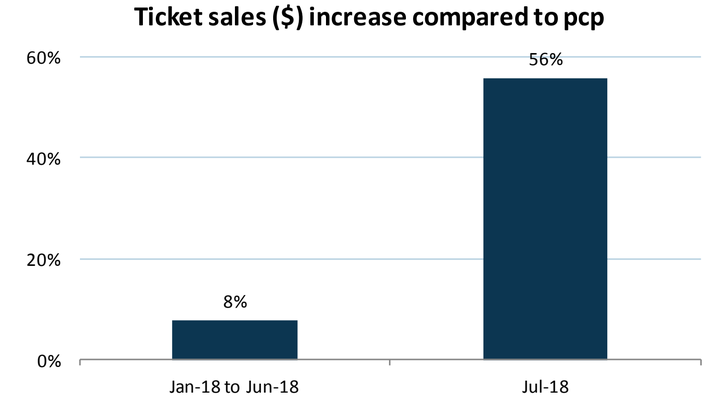
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THEME PARKS NEW PRICING STRATEGY

POSITIVE IMPACT OF THE NEW PRICING STRATEGY IS EXPECTED TO DRIVE AN EARNINGS RECOVERY IN FY19

- Strong indication that Gold Coast Theme Parks have returned to a positive trajectory in terms of ticket sale
- July 2018 performed the strongest in ticket sales ($) on record with season pass ticket sales up $6.0m on prior comparative period (pcp)
- Further supported by the marketing thrust anchored by Queensland's favorite, Sally Pearson
- Between January to July, 2018, ticket yield improved significantly compared to the prior comparative period following the introduction of the new pricing strategy
- Since discounted resellers were removed from the market from June 2018 - ticket yield increased by 35% compared to pcp, driven by a shift towards higher margin annual and multi-day passes





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TOPGOLF GOLD COAST

OPENED ON 15 JUNE 2018, WITH STRONG ATTENDANCE AND OUTSTANDING GUEST FEEDBACK

NET PROMOTER SCORE OF 75%, AMONGST THE HIGHEST SCORES INTERNATIONALLY

FOCUS ON IMPROVING F&B SPEND

INITIAL ACCEPTANCE OF THE CONCEPT IS VERY PROMISING

VRL HAS EXCLUSIVE RIGHTS FOR THE TOPGOLF CONCEPT IN AUSTRALIA





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CINEMA EXHIBITION – PREMIUM CONCEPTS AND FOCUS ON F&B

Village Cinemas' diverse offering of exceptional experiences makes it the destination of choice

- Premium concepts appeal to niche market segments and drive competitive advantage over other offerings in the market
- Complemented by exceptional food & beverage offerings
- Proven success in driving higher spend per person

VILLAGE CINEMAS GOLD CLASS | max BIGGER IS BETTER | premium FOOD DRINK MOVIES | Junior

JUNIOR

- Australia's first children's cinema concept
- New locations added in FY18: Knox, Plenty Valley and Sunshine
- Concept has driven increased average ticket price, spend per person and admissions



GOLD CLASS AND MAX HAVE DELIGHTED MOVIE-GOERS FOR YEARS, WHILE THE NEW JUNIOR CONCEPT HAS BEEN INCREDIBLY POPULAR WITH FAMILIES!

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ROADSHOW

- Attractive product line up in FY19 with key titles including *Fantastic Beast: Crimes of Grindelwald, Aquaman*, *Life Itself* and the much anticipated *A Star Is Born*

- TV production is building momentum with first production – *Romper Stomper* launched toh critical acclaim on Stan during the year with a second project *American Gangster* to screen on Channel 7 in FY19

- Fight against piracy is showing results with 450 pirate sites blocked in FY18 and a further 100 sought to be blocked in September 2018 – resulting in a 42% reduction in piracy on a year on year basis

- Cost reduction in the traditional business combined with Roadshow develop new revenue generating opportunities



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MARKETING SOLUTIONS

- Continuing to leverage its long standing relationships with multinational clients by entering into new geographical regions
- Evolving the sophistication of its key central platforms and digital capabilities to remain at the forefront of incentive technology solutions
- Expanding its product portfolio to include new industry sectors eg. mobile phones and FMCG
- Exploring entering into new revenue generating models



edge

Expanded into Asia

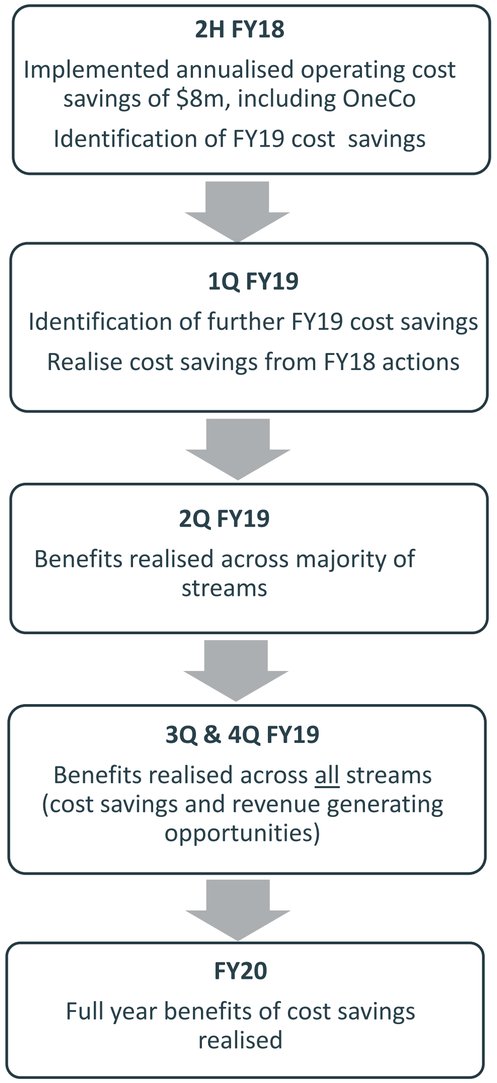
OPIA

Entered the USA & broader European region

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COST REDUCTION

- In FY18, initiatives were implemented which delivered cost savings of $8m on an annualised basis including operational cost savings and the OneCo cost reduction program
- There are further substantial cost saving initiatives budgeted to be executed in FY19 (with associated costs)
- Executive Directors have agreed to a 25% reduction in their base remuneration and Non-Executive Directors have agreed to a 25% reduction in their fees as part of the OneCo initiative
- VRL will remain focused on cost control and judicious capital expenditure spending with FY19 capital expenditure budgeted to be significantly lower than in FY18



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VRL Group Financials

VRL GROUP – KEY EARNINGS METRICS

Key Earnings Metrics ($m)	Cinema Exhibition		Theme Parks		Film Distribution		Marketing Solutions		Corporate & Other		Group	
	FY18	FY17	FY18	FY17	FY18	FY17	FY18	FY17	FY18	FY17	FY18	FY17
EBITDA	58.1	76.6	38.3	55.9	13.8	21.2	8.3	9.8	(27.6)	(27.2)	90.9	136.3
EBIT	40.7	59.8	(8.3)	5.2	10.6	17.7	6.5	8.5	(29.3)	(28.2)	20.1	62.9
PBT	36.2	55.3	(24.4)	(8.8)	6.8	13.8	4.1	6.0	(31.7)	(33.5)	(9.2)	32.8
NPAT	24.2	40.5	(18.9)	(7.0)	4.6	10.0	1.9	3.1	(19.2)	(23.0)	(7.3)	23.6

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 FY17 included $8.4m share of associate's profit from Singapore.

Refer page 18 for details in relation to Material Items.

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VRL GROUP – CASHFLOW

Operating Cash Flow ($m)	Cinema Exhibition		Theme Parks		Film Distribution		Marketing Solutions		Corporate & Other		Group	
	FY18	FY17	FY18	FY17	FY18	FY17	FY18	FY17	FY18	FY17	FY18	FY17
EBITDA	**58.1**	**76.6**	**38.3**	**55.9**	**13.8**	**21.2**	**8.3**	**9.8**	**(27.6)**	**(27.2)**	**90.9**	**136.3**
Movement in Working Capital (1) (2) (3)	(0.9)	(1.0)	(8.4)	7.7	(17.4)	12.4	(9.5)	1.7	(4.4)	(1.8)	(40.6)	19.0
Belfast / Singapore and FilmNation Impact (4)	(11.9)	13.6	-	-	-	(3.2)	-	-	-	-	(11.9)	10.4
Interest & Tax	(5.1)	(4.9)	(16.1)	(14.0)	(3.9)	(3.8)	(0.6)	(2.7)	8.7	(9.7)	(17.0)	(35.1)
Operating Cash Flow	**40.2**	**84.3**	**13.8**	**49.6**	**(7.5)**	**26.6**	**(1.8)**	**8.8**	**(23.3)**	**(38.7)**	**21.4**	**130.6**
Capital Expenditure	(23.2)	(17.4)	(54.7)	(53.7)	(1.1)	(1.7)	(2.3)	(1.6)	(3.6)	(5.1)	(84.9)	(79.5)
Free Cash Flow	**17.0**	**66.9**	**(40.9)**	**(4.1)**	**(8.6)**	**24.9**	**(4.1)**	**7.2**	**(26.9)**	**(43.8)**	**(63.5)**	**51.1**

Notes:

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

(2) Theme Parks working capital was primarily negatively impacted due to lower annual pass sales in June 2018. These sales partially recovered in July 2018.

(3) Film Distribution working capital movement was due to higher creditors in June 17 paid after year end – main creditors related to higher performing films occurring towards the end of the FY17 year.

(4) Belfast rent settlement paid in FY18 / Singapore cash dividends received in excess of equity accounted profit in FY17 and FilmNation equity accounting difference.

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VRL GROUP – DEBT

On Balance Sheet Debt	Facility Expiry (Calendar year)	Total Facility ($m) 30 Jun 18	Total Debt Drawn ($m) 30 Jun 18	Total Debt Drawn ($m) 31 Dec 17	Total Debt Drawn ($m) 30 Jun 17
VRL Group Finance Facility	2019	375.0	375.0	374.0	480.0
	2020	50.0	19.0	-	140.0
Other (1)	Various	11.8	7.9	7.0	7.5
Total		**436.8**	**401.9**	**381.0**	**627.5**
Cash on Hand		n/a	(63.4)	(75.7)	(100.4)
Net Debt on Balance Sheet		**n/a**	**338.5**	**305.3**	**527.1**

Debt & interest cover 30 June 2018	Net Debt / EBITDA	EBITDA / Net Interest
VRL Group (2)	3.73x	3.10x

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.*

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VRL GROUP – MATERIAL ITEMS

FY18 results include attributable profit from material items after tax of $7.5 million

KEY ITEMS

Gain on disposal of investments / businesses

- Gain on disposal of investments and businesses totaling $156.9 million, including gain on Singapore asset held for sale of $154.0 million

Impairment of assets / other non-cash adjustments

- Total impairment of assets and other non-cash adjustments of $167.4 million pre-tax, primarily including:
  - Impairment of assets at Wet'n'Wild Sydney of $24.7 million
  - Impairment of goodwill relating to Gold Coast Theme Parks of $95 million, including $74 million in relation to the accounting impact of sale and leaseback of land on the Gold Coast
  - Impairment of assets at Wet'n'Wild Las Vegas of $8.5 million
  - Impairment of goodwill relating to Film Distribution of $30 million

Restructuring costs

- Restructuring costs totaling $8.4 million (pre-tax)

Tax benefit

- Tax benefit from sale and leaseback of Gold Coast land of $24.1 million

Material Items	$m
Gain on disposal of investments / businesses	156.9
Impairment / other non-cash adjustments	(167.4)
Restructuring costs	(8.4)
Pre-tax total	**(18.9)**
Income tax benefit	22.0
Non-controlling interests	4.4
Attributable profit after tax	**7.5**

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Theme Parks

THEME PARKS – KEY RESULTS

Key Results ($m unless stated otherwise)	Gold Coast Theme Parks		Topgolf		Wet'n'Wild Sydney		Wet'n'Wild Las Vegas		Asia Theme Parks		Theme Parks (total)	
	FY18	FY17	FY18	FY17	FY18	FY17	FY18	FY17	FY18	FY17	FY18	FY17
Total Attendance ('000s)	**4,582**	**4,960**	**25**	**-**	**463**	**484**	**307**	**282**	**-**	**-**	**5,377**	**5,726**
Total Income	271.4	267.9	0.9	-	16.8	18.6	10.1	10.2	6.1	6.0	305.3	302.8
Total Expenses	(229.5)	(215.9)	(3.0)	-	(17.8)	(15.6)	(7.7)	(6.8)	(9.0)	(8.7)	(267.0)	(247.0)
EBITDA	**41.9**	**52.0**	**(2.1)**	**-**	**(1.0)**	**3.1**	**2.4**	**3.5**	**(2.9)**	**(2.7)**	**38.3**	**55.9**
Depreciation & Amortisation	(40.1)	(41.8)	(0.1)	-	(5.1)	(7.5)	(1.3)	(1.3)	(0.1)	(0.1)	(46.6)	(50.7)
Interest Expense (Net)	(12.4)	(10.2)	(0.2)	-	(2.5)	(2.5)	(1.1)	(1.3)	-	-	(16.1)	(14.1)
PBT	**(10.6)**	**0.2**	**(2.4)**	**-**	**(8.5)**	**(6.9)**	**-**	**0.7**	**(3.0)**	**(2.8)**	**(24.4)**	**(8.8)**
Non-controlling Interests	-	-	-	-	-	-	-	(0.3)	-	-	-	(0.3)
PBT After Minority Interests	**(10.6)**	**0.2**	**(2.4)**	**-**	**(8.5)**	**(6.9)**	**-**	**0.4**	**(3.0)**	**(2.8)**	**(24.4)**	**(9.2)**
Total Capital Expenditure (1)	*(32.0)*	*(44.1)*	*(19.2)*	*(5.7)*	*(1.5)*	*(3.5)*	*(1.9)*	*(0.4)*	*(0.1)*	-	*(54.7)*	*(53.7)*

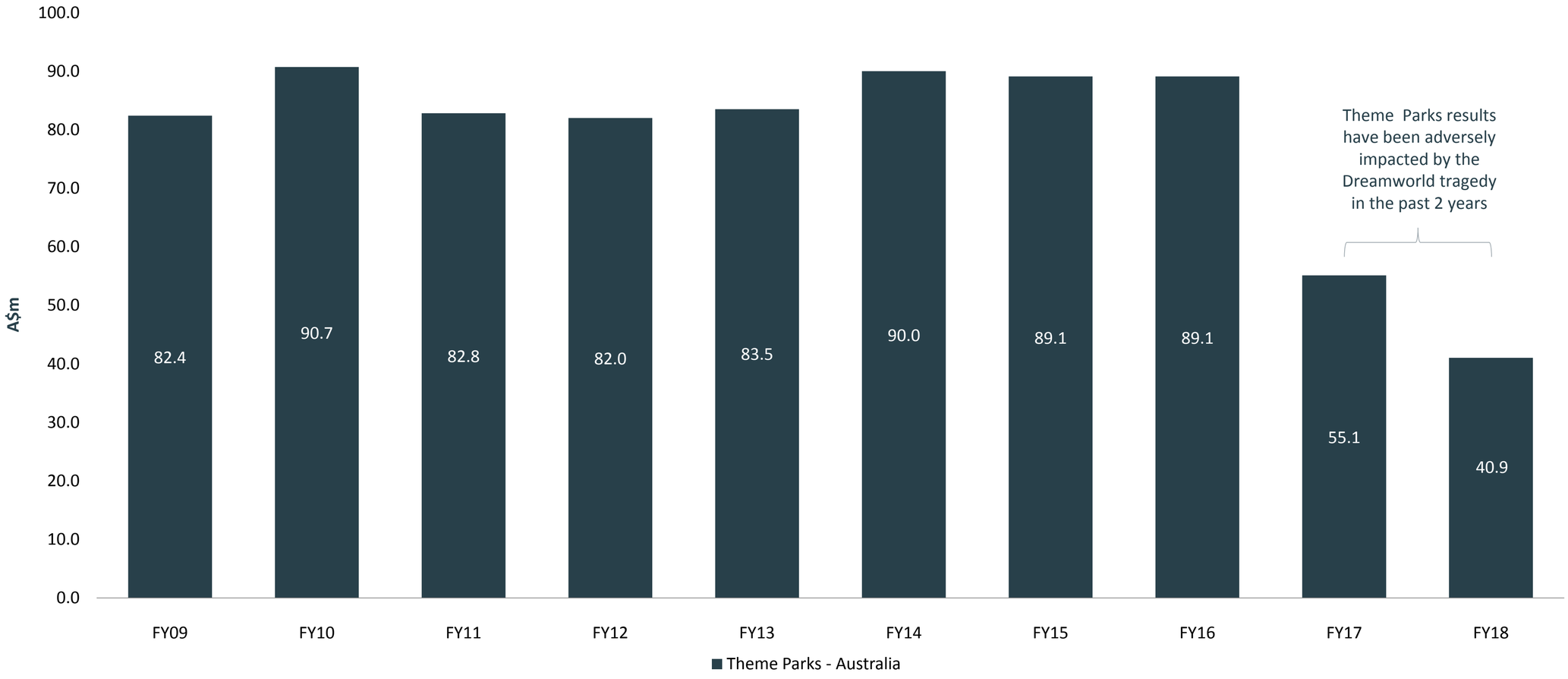
Notes:

(1) Gold Coast FY18 Capital Expenditure includes investments in a number of rides, attractions and upgrades.

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AUSTRALIAN THEME PARKS EBITDA – FY09 TO FY18

OVER THE 8 YEARS PRIOR TO THE DREAMWORLD TRAGEDY, VILLAGE'S AUSTRALIAN THEME PARKS AVERAGE EBITDA WAS $86M



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FY18 ATTENDANCE IMPACT

Key factors impacting FY18 Theme Parks attendance:

- Continued effect of the Dreamworld tragedy
- Lower than expected attendances over the Easter school holidays April 2018 (coincided with the Commonwealth Games)
- New pricing strategy
  - Migration to the acquisition of one day passes following the introduction of the new ticket offering in December 2017 having a direct impact on yield and attendances
  - Recovery in June and July 2018 with a return to the higher priced annual season and multi-day passes as discount resellers were removed from the market effective 30 June 2018

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THEME PARKS HIGHLIGHTS

- Strong attendance at Movie World driven by Hypercoaster and extended-hours events *Heroes and Villains* and *Afterglow*
- New attractions at Sea World have improved the guest experience and increased length of stay, including:
  - Polar Bear Cub, *Mishka*
  - *The Reef - Castaway Bay* splash zone
  - Nickelodeon product *Paw Patrol*
  - *Seal Guardians* seal show
- Strong performance from Special Events
  - *Carnivale* at Sea World outperformed expectations, drawing crowds with its new Light Laser Show
  - *Fright Nights* and *White Christmas* at Movie World delivered record results
- Room bookings and conference centre at Sea World Resort continue to outperform expectations
- Village Roadshow Studios continues its successful run with the production of *Aquaman* and *Dora the Explorer* as well as the Commonwealth Games
- Wet ‘n’ Wild Las Vegas withstood a challenging year to deliver $2.4m of EBITDA in FY18 despite a shortened holiday season and a severe heat wave during the peak operating season



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ASIAN THEME PARKS – INVESTING IN THE FUTURE

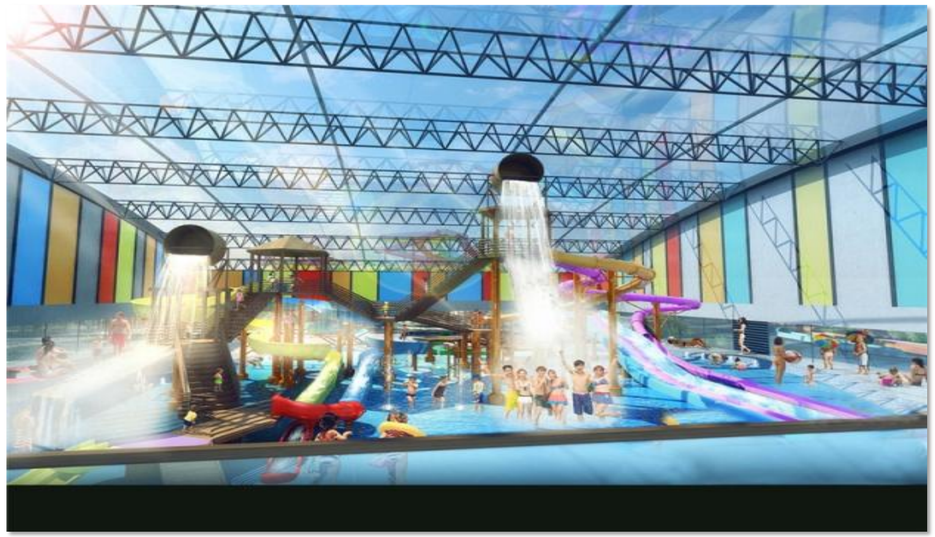
TWO KEY PROJECTS WITH MANAGEMENT AGREEMENTS / NO VRL EQUITY INVESTMENT

A SELECT NUMBER OF MAJOR PROJECTS ARE IN ADVANCED DISCUSSION – FOCUS ON CONSULTATION AND MANAGEMENT AGREEMENTS





MISSION HILLS – WET'N'WILD
OPENED APRIL 2018



LAI SUN – LIONSGATE ENTERTAINMENT WORLD
OPENING IN 2Q CY19

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THEME PARKS – OUTLOOK

Recovery expected to **gain momentum** in FY19

- Continued yield improvement from the new pricing strategy
- Full year impact of Topgolf
- New marketing thrust anchored by Sally Pearson
- Prudent capital spend driven by guest feedback, including lower cost attractions which enhance guest appeal
- New exciting low capital expenditure attractions to open in FY19 include
  - Next generation *Scooby Doo Coaster* at Movie World
  - *Heartland*, a new show at Australian Outback Spectacular incorporating advanced technology
  - *Shaun the Sheep* experience at Paradise Country
- Continue to adopt an uncompromising approach on safety, benchmarked on the highest global industry standards



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Cinema Exhibition

CINEMA EXHIBITION – KEY RESULTS

Key results ($m unless stated otherwise)	FY18	FY17
Paid Admissions - Australia (m) (1)	**24.9**	**26.1**
Sales Revenue	283.7	296.0
Other Income	29.0	30.3
Total Expenses	(254.7)	(258.2)
EBITDA - Australia	**58.0**	**68.1**
EBITDA - Singapore (Share of Associate's Profit) (2)	-	8.4
EBITDA - Other (3)	0.1	0.1
EBITDA - Total	**58.1**	**76.6**
Depreciation & Amortisation	(17.4)	(16.8)
Interest Expense (Net)	(4.5)	(4.5)
PBT	**36.2**	**55.3**
Total Capital Expenditure	*(23.2)*	*(17.4)*

- Cinema Exhibition experienced softer trading compared to the prior year, driven by the underperformance of key titles partially offset by Blockbuster releases in 4Q FY18
- Softer admissions were partially offset by higher spend per person
- Continued focus on premium cinema concepts such as **Junior** and **4DX**, as well as enhanced food and beverage offerings

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 Intencity, Belfast (exited on 31 May 2018) and iPic Theaters (25% owned, share of associate's results).

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CINEMA EXHIBITION - NEW SITES

THREE NEW SITES OPENED IN FY18

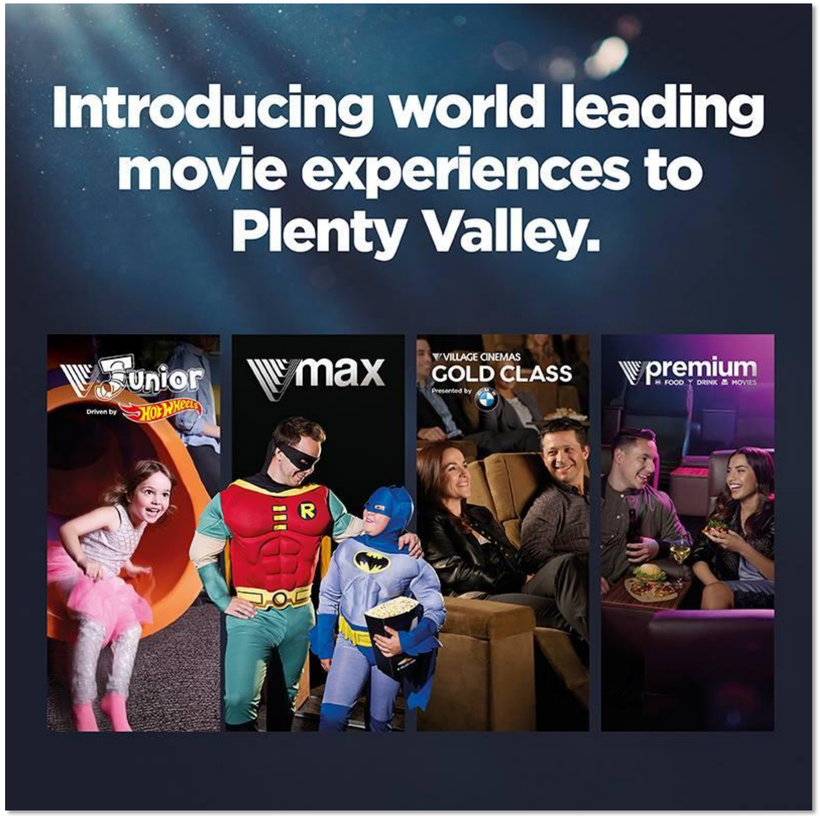
- Whitford, SA (Event managed)
- Palmerston, NT (Event managed)
- Plenty Valley, VIC (Village managed)

PLENTY VALLEY

- Village Cinemas' first new location in 10 years, opened March 2018
- Located in the key northern growth corridor of Melbourne
- Showcases all of Village Cinema's premium concepts







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CINEMA EXHIBITION - OTHER

IPIC ENTERTAINMENT

- iPic Entertainment ("iPic") listed on the NASDAQ in February 2018, raising US$15m
- iPic will utilise the capital raised to continue its development plans to reach critical mass
- VRL's contingent liability relating to this business has reduced from US$24m to US$6m
- VRL's ownership of iPic following the IPO is c.25% - NASDAQ market value of US$24m as at 17 August 2018, carried at nil in VRL's accounts due to the equity accounting standards



iPic Fulton Market

SINGAPORE

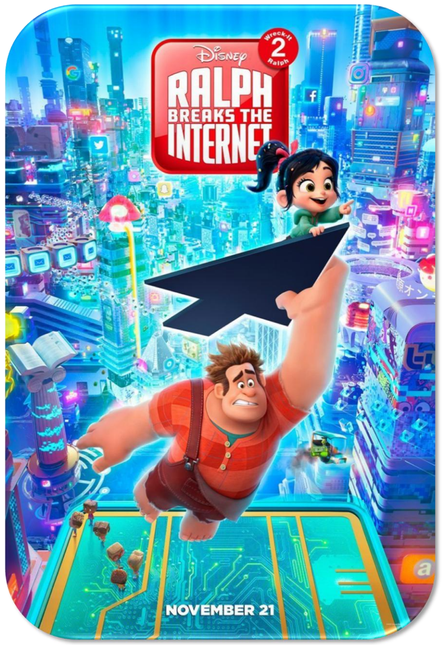
- Sale of 50% of Golden Village Cinema completed in October 2017, with equity accounting ceasing from June 2017

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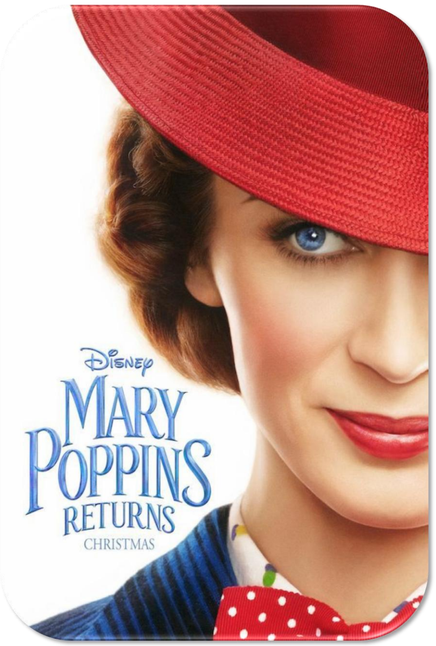
CINEMA EXHIBITION – OUTLOOK

STRONG SLATE OF RELEASES IN FY19 ANTICIPATED TO PERFORM IN LINE WITH FY18









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Film Distribution

FILM DISTRIBUTION – KEY RESULTS

Key results ($m)	FY18	FY17
Sales revenue	**304.5**	**359.3**
Other Income	0.4	0.2
Share of Associate's Profit	1.1	3.2
Total Expenses	(292.2)	(341.5)
EBITDA	**13.8**	**21.2**
Depreciation & Amortisation	(3.2)	(3.6)
EBIT	**10.6**	**17.7**
Interest Expense (Net)	(3.9)	(3.8)
PBT	**6.8**	**13.8**
Total Capital Expenditure	*(1.1)*	*(1.7)*

- Film Distribution trading was impacted by underperformance of key titles
- Ongoing decline of the physical market has not been fully offset by growth in the digital market
- Continue to drive value from emerging markets including SVOD and Digital Transactional, with contracts with key partners Stan and Netflix

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FILM DISTRIBUTION HIGHLIGHTS

CORE DISTRIBUTION BUSINESS - STREAMLINED MODEL

- ‘Hit’ driven business
- Optimised business operations with continued focus on cost reduction on physical distribution
- Well positioned to pursue strategies to grow digital revenues

TV PRODUCTION

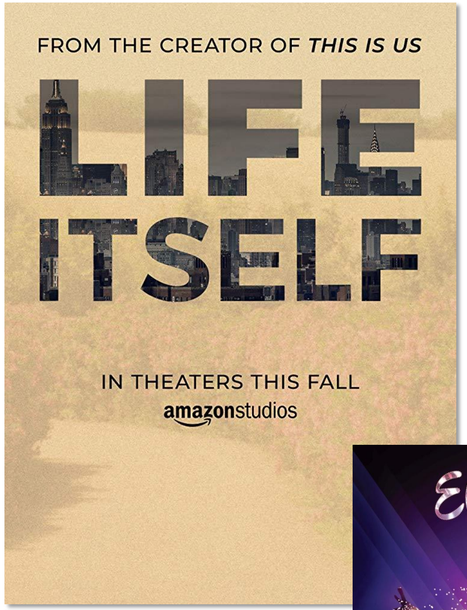
- Roadshow Rough Diamond released *Romper Stomper* on Stan, with a second season planned
- Blink TV is working towards the production of the first season of *Eurovision Asia*

FILMNATION

- *Life Itself* sold to Amazon Studios for worldwide release
- TV production *I Know This Much is True* sold to HBO

AUSTRALIAN FILM PRODUCTION

- Portfolio of quality Australian film projects has been identified. These projects are at different stages of development and will form part of Roadshow’s future content slate







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FIGHT AGAINST PIRACY

- Real progress in the fight against piracy - 450 pirate sites blocked in FY18 through new Australian legislation
- Further 100 pirate sites sought to be blocked in September 2018
- Research indicates that piracy is down 42% on a year on year basis
- Increase in public awareness of the dangers of engaging in piracy with real exposure to viruses, malware and ransomware – the pirates' business model is scamming people
- Further piracy reduction is anticipated

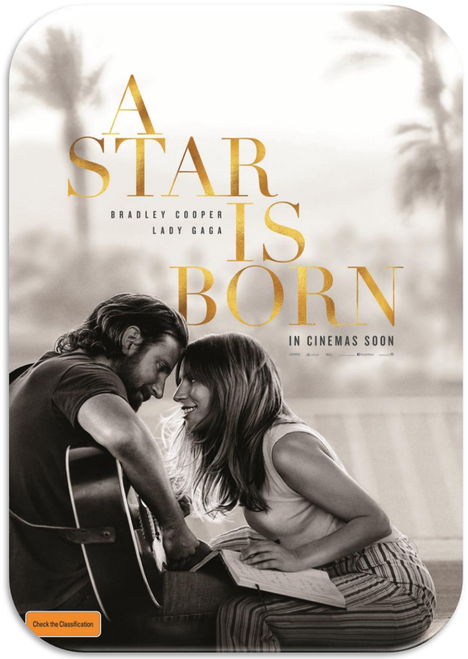


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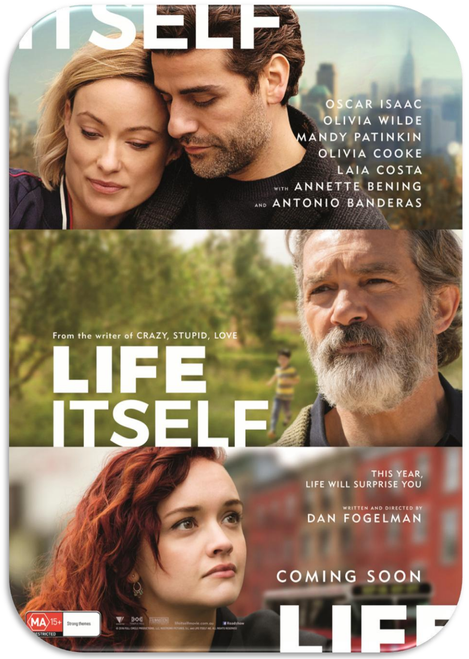
FILM DISTRIBUTION – OUTLOOK

A PROMISING SLATE OF UPCOMING THEATRICAL AND PRODUCTION TITLES









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Marketing Solutions

MARKETING SOLUTIONS – KEY RESULTS

Key earnings metrics ($m)	FY18	FY17
EBITDA	8.3	9.8
EBIT	6.5	8.5
PBT	4.1	6.0
Total capital expenditure	*(2.3)*	*(1.6)*

- FY18 result driven by continued demand for Card products and the growth in Digital reward content and recurring promotions with key clients
- Marketing Solutions have expanded into new markets with Edge entering Asia (Singapore HQ) and OPIA moving into the USA and broader European region
- Costs related to additional staff and IT including overheads, associated with expansion into US and Asia
- Investment made in platform capabilities to deliver highly scalable and increasingly integrated promotional solutions and to support international expansion

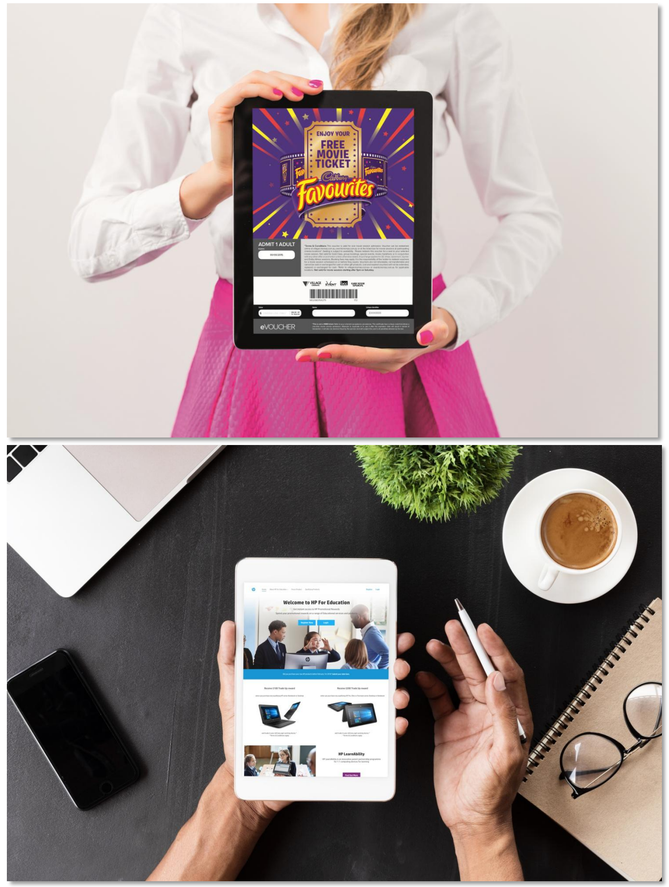
edge
PLATFORMS | REWARDS | INSURANCE

OPIA

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MARKETING SOLUTIONS HIGHLIGHTS & OUTLOOK

- Transforming into a business built around innovative incentive technologies and laying a strong foundation for local and international growth
- Strong promotional pipeline for Edge Asia, with a new office established in Singapore
- Opia will continue to grow its existing customer base in the UK and Europe, and extend its geographical reach by developing relationships with key multinational clients
- Expanding its product offerings and looking to extend its activity into other sectors
- Recent investment made to support growth from both new business development and client acquisition



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Corporate

CORPORATE AND OTHER – KEY RESULTS

Key results ($m)	FY18	FY17
EBITDA - Corporate	(22.2)	(21.5)
EBITDA - Digital & IT	(5.4)	(5.7)
EBITDA - Corporate & Other	**(27.6)**	**(27.2)**
Depreciation & Amortisation	(1.7)	(1.1)
Interest Expense (Net)	(2.4)	(5.2)
PBT	**(31.7)**	**(33.5)**
Total Capital Expenditure	*(3.6)*	*(5.1)*

- Continued review of IT infrastructure and technology to support improved eCommerce capabilities, employee productivity and consolidation of data
- Cost savings anticipated in FY19 as OneCo initiatives are implemented
- Executive Directors have agreed to a 25% reduction in their base remuneration and Non-Executive Directors have agreed to a 25% reduction in their fees as part of the OneCo initiative, effective July 2018.

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DIVIDENDS

- VRL Board is committed to shareholder return, while maintaining the ability to invest in the business
- No FY18 dividend declared - prudent approach during a time of short term earnings decline
- Intention is to reinstate dividends as soon as it is deemed appropriate

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DISCLAIMER

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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 reviewed (as applicable) financial statements.

Included in the ASX Appendix 4E (pages 14 & 15) is a Reconciliation of Results which provides further detail on the Non-IFRS financial information contained in this presentation.