VILLAGE ROADSHOW LIMITED

Web Site: www.villageroadshow.com.au

23 August 2012

RULE 4.3A

APPENDIX 4E - Preliminary Final Report

Introduced 1/1/2003. Origin: Appendix 4B

Name of entity

VILLAGE ROADSHOW LIMITED

ABN of entity

43 010 672 054

Financial year ended ('reporting period'):	Previous financial year ended ('previous corresponding period')
30 June 2012	**30 June 2011**

Results for announcement to the market

Extracts from this report for announcement to the market. $A'000

Income from continuing operations *(item 1.1)*	Up	0.1%	to	927,177
Profit after tax from continuing operations (item 1.7)	Up	20.2%	to	33,771
Profit after tax from discontinued operations (item 1.8)		N/A	to	--
Profit attributable to members of Village Roadshow Limited (item 1.11)	Down	81.8%	to	33,771

Dividends (distributions)		Amount per security	Franked amount per security	Conduit foreign income per security
Reporting Period:				
- Final dividend *(item 15.4)* *(To be paid October 2012)*	- *Ords*	10.0c	--	10.0c
- Interim dividend *(item 15.6)* *(Paid March 2012)*	- *Ords*	12.0c	--	12.0c
- Distribution *(item 15.8)* *(Paid July 2011)*	- *Ords*	80.0c	80.0c	--
Previous Corresponding Period:				
- Final dividend *(item 15.5)* *(Paid October 2011)*	- *Ords*	8.0c	8.0c	--
- Interim dividend *(item 15.7)* *(Paid April 2011)*	- *Ords*	8.0c	5.6c	2.4c
-Special dividend *(item 15.11)* *(Paid April 2011)*	- Ords	12.0c	8.4c	3.6c

+Record date for determining entitlements to the dividend *(see item 15.2)*	13 September 2012
Brief explanation of any of the figures reported above:	Refer attached commentary.

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23 August 2012

Another Solid Result from Village Roadshow

VILLAGE ROADSHOW LIMITED ("VRL") today announced a net profit after tax from continuing operations of $33.8 million for the year ended 30 June 2012, compared to the prior year result of $28.1 million. After including the sale of the listed radio division, Austereo, and Sydney Attractions Group in the prior period, attributable net profit after tax was $33.8 million for the current year, compared to $185.5 million for the prior year.

OPERATING PROFIT AFTER TAX before discontinued operations and material items for the year ended 30 June 2012 was $52.8 million, up from $31.3 million in the prior year (refer attached Reconciliation of Results).

EARNINGS PER SHARE, before material items and discontinued operations of 34.4 cents per share is a 71% increase from the prior year comparable result of 20.1 cents per share.

EBITDA from operations excluding material items and discontinued operations for the year ended 30 June 2012 was $154.7 million, up from the prior year amount of $140.5 million, driven by stable trading results from all divisions and a reduction in overheads.

Highlights

- Australian box office for 2012 was the 2nd highest year on record and assisted Cinema Exhibition to an excellent final result
- Village Cinemas Australia is now 100% digital, Australia's first major cinema exhibitor to do so
- Village Roadshow Theme Parks maintained their financial performance compared to the prior year assisted by improved results from the US Water parks
- Construction of the new Wet'n'Wild water park in Sydney has commenced - projected opening date is the end of calendar year 2013
- Roadshow Distribution delivered a robust result which included the Company's biggest box office ever with *Harry Potter And The Deathly Hallows: Part 2* of $52.6 million and *Red Dog* - $21.4 million at the box office and $17.4 million in DVD sales
- US$275 million new capital sourced for US based film production division which will drive its new release schedule into the future
- Overhead cost cuts realised as expected
- Declaration of an unfranked final dividend of 10cps to be paid in October 2012
- Preliminary agreement to take a majority investment in and operate a new Wet'n'Wild water park in the United States
- Preliminary agreement to acquire Edge Loyalty Systems, an online loyalty and rewards business, continues Village Roadshow's venture into digital opportunities.

VILLAGE ROADSHOW LIMITED ABN 43 010 672 054
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VRL Executive Chairman Mr. Robert Kirby said: "Our 2012 result demonstrates the strength of our businesses and the success of our work to restructure the group's debt and overhead position. The VRL Board is committed to maintaining a consistent, stable dividend return to our shareholders, whilst building on expansion opportunities for the future. Work has commenced on the new Wet'n'Wild in Sydney which we believe will be a major success when it opens in late 2013, and we have continued to pursue growth opportunities in China and the USA."

VRL CEO Mr. Graham Burke noted: "People want entertainment, escape and love to go out. We are servicing this very real demand with our theatres enjoying a near record year, Theme Parks holding their results in face of continuing wet weather and film distribution and production scoring great success across our portfolio of product."

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***A copy of this release can also be found at* www.villageroadshow.com.au**

OPERATIONAL OVERVIEW

Theme Parks

Despite record rainfall that impacted the core business on the Gold Coast, Village Roadshow Theme Parks ("VRTP") improved its FY2012 consolidated EBITDA for the group from $87.2 million in FY2011 to $87.4 million, excluding material items. The USA parks, Wet'n'Wild Phoenix and Wet'n'Wild Hawaii, both enjoyed better than expected performances, helping the group overcome the poor wet weather that impacted the Gold Coast parks in key trading periods during the financial year.

	EBITDA		PBT	
	FY2012 $'m	FY2011 $'m	FY2012 $'m	FY2011 $'m
Gold Coast Theme Parks	82.0	82.8	29.3	33.2
USA Water Parks	5.4	4.4	(0.8)	(2.1)
Total	**87.4**	**87.2**	**28.5**	**31.1**

Gold Coast Theme Parks

The Gold Coast Theme Parks division includes Warner Bros. Movie World, Sea World, Wet'n'Wild Gold Coast, Australian Outback Spectacular, Paradise Country, Village Roadshow Studios, Sea World Resort & Water Park and Sea World Helicopters.

Despite record rainfall in South East Queensland for the second consecutive year and a continued decline in domestic tourism to the area, the Gold Coast parks performed strongly. The latter part of the January school holidays and the extended April / Easter school holidays were particularly impacted by wet weather.

As with FY2011, the Company's on-going focus on Season Pass ("VIP") sales, admissions yield and a continuation of its highly disciplined approach to expense control produced positive results, with the group realising a year on year 1.3% increase in ticket sales revenue yield, or 14.7% since FY2008 (the financial year prior to the program being introduced). For the fourth consecutive year, the focus on cost control and operational efficiency resulted in a decrease in expenses, mostly due to a reduction in labour hours on the previous financial year.

Warner Bros. Movie World continues to perform well, with attendances being underpinned by the strong visitation from the VIP pass program and the launch of the highly popular *Green Lantern* steel coaster in December 2011.

The poor weather and lack of a major new attraction impacted the results at the Sea World theme park. The Sea World Resort & Water Park however continued to perform strongly. The addition of the Water Park attraction to Sea World Resort and the more recent overlay of the Nickelodeon theme have both proven to be a competitive advantage, and have been well received by consumers.

As would be expected, the weather conditions had the highest negative impact on Wet'n'Wild Gold Coast. As the weather improves, and the region returns to a more normal climate (as has been forecast), it is anticipated that this will have a positive impact on this park's FY2013 financial performance.

Operating profit before tax, discontinued operations and material items for the division was reduced due to increased interest charges following the refinancing in the prior year and increased depreciation charges from capital investment made in new attractions to drive attendance. These included the *Nickelodeon Parade* at Sea World, the *Splash Bash* at Sea World Resort & Water Park (a *Nickelodeon* themed attraction), the *Green Lantern* steel coaster and the newly improved *Batman: Arkham Asylum* suspended looping coaster at Warner Bros. Movie World, as well as the new Australian Outback Spectacular show.

The results of the 2013 pre-season VIP sales campaign on the Gold Coast were outstanding. The campaign was anchored by the Company's Family VIP pass offer, the new animatronic Dinosaur exhibition at Sea World, and the planned September 2012 opening of the much anticipated DC comics 3D dark ride, *Justice League, Alien Invasion* at Warner Bros. Movie World.

As noted with the new animatronic Dinosaur exhibition at Sea World, the Gold Coast parks will continue to offer consumers a package of highly themed special events designed to create market urgency and frequency of visitation from its VIP pass holders. Warner Bros. Movie World will continue with its teen and young adult *Halloween* event in October and its family oriented *White Christmas* event in December. Sea World will also offer a family oriented *Halloween* event in October.

With regard to "coming soon" attractions in FY2013, Warner Bros. Movie World will launch the new *Justice League, Alien Invasion* 3D dark ride in September, while Wet'n'Wild Gold Coast will also launch an Australian first, the *Constrictor* water slide. Also opening at Sea World in December/January, will be the new *Seal Habitat* designed to accommodate Sea World's multiple species of seals and sea lions.

USA Water Parks
The USA Water Parks division currently includes two water parks, Wet'n'Wild Phoenix located in Arizona and Wet'n'Wild Hawaii located on the island of Oahu, Hawaii. Both parks enjoyed solid performances in FY2012, with Wet'n'Wild Phoenix recording a record year anchored by the opening of the new *Constrictor* slide in the spring of 2011. The performance of the park also benefited from a disciplined approach to expense control. Wet'n'Wild Hawaii results also improved due primarily to park management's focus on expense control and a very successful season pass campaign.

Village Roadshow Theme Parks is also planning to open a new Wet'n'Wild water park in the United States in late May or early June of 2013. VRTP has entered into a memorandum of understanding to own a majority interest in the park, and to manage the day to day operations of the property.

Wet'n'Wild Sydney
VRL firmly believes that Wet'n'Wild Sydney will be the best water park in the world when it opens to the public in December 2013. The marketing of the park will highlight the state of the art attractions unique to Wet'n'Wild Sydney; including a combination Lazy/Action River, Australia's first Surf Pool, and a range of spectacular water slides/attractions unmatched by any water park. Development approval was granted by the NSW government late last year, and construction has now begun on the $110 - $120 million capital project.

Other Opportunities
In addition to the Wet'n'Wild Sydney and USA developments, Village Roadshow Theme Parks is also continuing to explore opportunities in China and in the USA.

Village Roadshow Theme Parks will also continue to focus on the development and expansion of the Wet'n'Wild brand, which is considered one of the iconic brands in the International theme park industry. Wet'n'Wild on the Gold Coast is among the top ten water parks in the world. VRL has rights to use this brand for theme parks in Australia, the United States and in many countries in Asia.

Cinema Exhibition

The Cinema Exhibition division operates predominantly in Australia, Singapore and the United States through joint ventures with Greater Union and other cinema operators.

VRL Share of Reported Results	EBITDA		PBT	
	FY2012 $'m	FY2011 $'m	FY2012 $'m	FY2011 $'m
Australian Cinema Exhibition	48.1	44.9	31.5	27.6
Other Cinema Exhibition	3.0	1.5	2.5	0.8
Total	**$51.1**	**$46.4**	**$34.0**	**$28.4**

VRL pioneered and developed the Gold Class and **Vmax** concepts which are unique to cinemas in which Village Roadshow has an interest and they are enormously accretive to VRL's cash flow and market leading position.

Australian Cinema Exhibition

Operating profit before tax, discontinued operations and material items for the twelve months ended 30 June 2012 was $31.5 million, compared to $27.6 million in the prior year. EBITDA before discontinued operations and material items for the year ended 30 June 2012 was $48.1 million, compared to $44.9 million for the prior year. These positive results were driven by higher average ticket prices and higher admissions. This, combined with a continued strong focus on the reduction of overheads, resulted in the improved performance.

The year finished with a strong contribution to the results in the last quarter with *Avengers* opening at the end of April and finishing as the highest grossing film in the 2012 financial year. Other strong performances throughout the year included a number of franchise films: *Harry Potter and the Deathly Hallows: Part 2, Transformers 3, The Hunger Games* and the third instalment of the *Twilight Saga.* Strong film product releases have continued into the new financial year with the opening of *The Dark Knight Rises* and *Ted.* This trend is expected to continue into the new financial year with big box office films such as *The Hobbit, Bond Skyfall, The Bourne Legacy* and the final instalment of the *Twilight Saga.*

As of this month Village Cinemas Australia has converted all of its screens to the digital format, and is the first major exhibitor in Australia to achieve this.

The development of the alternative content strategy continued during 2012 with success coming from different streams including opera and concerts. This included *Pearl Jam; PJ20*, *Phantom Of The Opera* and the *Chemical Brothers*. The commitment to alternative content will continue into 2013 with a focus on creating a calendar of events.

Village Cinemas Australia successfully re-negotiated its $100 million syndicated debt facility in June 2012. The facility comprises a $60 million amortising term loan with a $40 million revolving loan facility and runs for a term of just over 3 years.

The fit-out of the redeveloped Toombul site in Queensland began in April 2012 with expected completion in August 2012. Other capital works included refurbishments at Airport West in Victoria and Liverpool in New South Wales. The strong **Vmax** brand continues to expand throughout the circuit with additional **Vmax** screens being deployed at Indooroopilly and Tuggerah.

Other Cinema Exhibition

The Singapore circuit experienced a positive twelve months with admissions finishing marginally higher than the prior year. A new site at Katong Mall, which opened in December 2011 with six traditional and two Gold Class Screens, has performed above expectations since opening.

Gold Class USA initially performed poorly as it was launched at the start of the Global Financial Crisis. A number of initial sites were in new centre developments that were very adversely impacted. VRL's local partners have gone a long way to addressing these issues and with strong sites coming on stream, VRL looks to this section of the business as one of potential and growth in the medium term. In 2012 an outstanding site in Boca Raton, Florida was opened which is performing in excess of expectations, and construction is commencing shortly on an exceptional site in Wilshire Boulevard, Westwood, Los Angeles which is indicative of the quality of locations under negotiation. VRL owns 30% of Gold Class USA, which trades as IPic Theaters.

List of Sites & Screens – Cinema Exhibition Division[1]

	As at June 2011		Opened/ (Closed/Sold) FY2012		As at June 2012	
	Sites	**Screens**	**Sites**	**Screens**	**Sites**	**Screens**
Australia	50	506	-	1	50	507
Singapore	9	73	1	8	10	81
USA	8	59	1	8	9	67
United Kingdom	1	12	-	-	1	12
Total	**68**	**650**	**2**	**17**	**70**	**667**

1. Includes all screens in which Village Roadshow has an economic interest, taking no account of ownership structure

Film Distribution

Operating profit before tax, discontinued operations and material items for the year ended 30 June 2012 for VRL's Film Distribution division, Roadshow, was $41.5 million compared to $35.5 million in the prior period. EBITDA excluding discontinued operations and material items for the financial year was $50.8 million, marginally up from the prior year result of $50.5 million.

The division benefited from the reduction in amortisation of film rights arising on the VRL acquisition effective 1 July 2007.

Theatrical

Roadshow Films continued to be the leading theatrical distributor with a market share of 26.5%. The highlight for the 2012 financial year was *Harry Potter And The Deathly Hallows: Part 2*, with Australian box office results of $52.6 million. The locally produced *Red Dog* is the 8th highest grossing Australian title of all time, with Australian box office results of $21.4 million and DVD sales of $17.4 million.

Roadshow recently renewed its exclusive theatrical distribution deal with Warner Bros. to December 2017.

Roadshow's other key suppliers - Lionsgate, Nu Image, Film Nation and Weinstein - form the core of the independent distribution relationships and ensure that Roadshow continues to be well placed in the theatrical industry. Lionsgate in particular continued to provide outstanding product including *The Hunger Games* recording an Australian box office result of $31.1 million. Roadshow has recently secured the rights to all *The Hunger Games* sequels.

Roadshow continues its commitment to supporting and distributing Australian films with the anticipated release of *Goddess* and *Kath and Kimderella* in FY2013.

Home Entertainment

Roadshow continued to be the number one DVD distributor maintaining a market share of 16.6%.

The phenomenal success of *Red Dog* at the box office continued into retail as the DVD release outsold Hollywood blockbusters and smashed sales records. *Red Dog* sold in excess of 870,000 units which is the third highest seller in Australia of all time – behind *Avatar* and *Finding Nemo*.

Central to the consistent and positive result over the 12 month period has been the overall performance of Roadshow's new release line-up together with the alignment of strong sales and marketing strategies. Stand out product and marketing campaigns included *Limitless*, *Sherlock Holmes 2: A Game of Shadows, The Inbetweeners, I Don't Know How She Does It, The Mechanic* and *The Girl Who Kicked The Hornets Nest*. Roadshow also had a number of important TV titles including Channel 9's *Underbelly 4: Razor, Hamish And Andy's Gap Year* and the 20th Anniversary boxed sets for *The Wiggles.*

Sales generated from the Blu-ray format continued to grow, and currently represent 10% of the revenue achieved from Roadshow's film catalogue in the Home Entertainment window.

During the last few months licensing renewals were secured for all major suppliers including the BBC and ABC.

Digital

The digital market continued to grow steadily in the financial year, exceeding our revenue expectations. The overachievement was largely driven by iTunes where sales performed above target. The outstanding performers were *Red Dog, Sherlock Holmes: A Game of Shadows, The Mechanic, Limitless, Lincoln Lawyer, The Inbetweeners, Life As We Know It, Warrior* and *Abduction.* Bigpond's VOD service available on the Telstra T-box performed above forecasts, and Foxtel PPV sales remained reasonably consistent with prior year results.

Ongoing growth in this sector continues to be expected, through the expansion of the Optus Me TV service supported by Fetch, and as more digital channels, SVOD players and online transactional 'retailers' including Google and YouTube become more widely available and active in the market.

Film Production and Music

Village Roadshow Entertainment Group ("VREG"), consists of Village Roadshow Pictures and the Concord Music Group.

As announced on 29 June 2012, VREG completed a US$275 million new funding transaction as part of the restructuring of its capital base. The new funding was part of a six-year mezzanine debt and equity arrangement with Trinity Opportunities Limited, arranged by VREG in conjunction with Hong Kong-based Shikumen Capital Management (HK) Limited.

Following the restructure, the Company is the largest single shareholder in VREG, with 47.6% of the ordinary shares together with approximately US$100 million of dividend bearing non-voting redeemable equity shares. VRL will receive approximately US$5 million per annum in dividend payments on these shares, as they will earn a 5% p.a. cash dividend and 9% p.a. payment in kind.

The new capital will be used to strengthen VREG's balance sheet with a view to increasing the number of films co-produced by Village Roadshow Pictures ("VRP") each year, and to support the continued growth of the Village Roadshow Entertainment Group Asia ("VREG Asia") film business in China.

During the fiscal year, VREG released *Happy Feet 2, The Lucky One* and *Dark Shadows*, which all underperformed to varying degrees. However *Sherlock Holmes: A Game of Shadows* was a break out success, grossing US$544 million worldwide. In addition VRP's 72 film library continues to produce powerful cashflows.

Future releases include *Gangster Squad*, starring Sean Penn, Ryan Gosling, Emma Stone and Josh Brolin; and *The Great Gatsby*, starring Leonardo DiCaprio and Carey Mulligan and directed by Baz Luhrman.

Subsequent releases include *All You Need Is Kill* starring Tom Cruise and Emily Blunt, directed by Doug Liman; *Lego* directed by Phil Lord and Chris Miller; and *Fury Road* (Mad Max), starring Tom Hardy and Charlize Theron, and directed by George Miller.

VREG Asia's film business continues to build with a focus around the replication of the portfolio approach used by the USA division. Upcoming releases from this territory include *Journey to the West* and *Man of Tai Chi*.

VREG's music division, Concord Music Group, had recent success with new titles from Sir Paul McCartney (*Kisses On The Bottom*) and the follow-up recording of 2011 Best New Artist Grammy winner Esperanza Spalding, Radio Music Society. Concord has a number of new releases from a diverse array of artists in the next few months.

Corporate & Other

The total net corporate and other costs reduced significantly from the prior year following the previously announced cost cutting initiatives. The total net corporate and other costs before tax excluding material items were $29.0 million for the year compared with $47.8 million in the prior year.

Development costs included in corporate and other costs include costs associated with the Wet'n'Wild Sydney water park and China Theme Parks projects. These costs in total amounted to $3.0 million for the 2012 year, compared to $1.3 million in the prior year mainly due to an increased focus on the Sydney development.

Corporate overheads EBITDA was ($31.6) million for the year, having reduced significantly compared to the prior year of ($42.3) million, resulting from the previously announced reduced executive remuneration and overall cost-cutting initiatives. The current year also includes costs of circa $2.0 million which will not re-occur in future years.

Net interest expense has reduced significantly across the group, as a direct result of the positive impacts of the significant debt reduction program undertaken in the prior financial year.

The Company continued to focus on executing its digital strategy including the growth of the MyFun brand. This strategy was enhanced by the acquisition during the year of 13.99% of Dimmi, an online restaurant booking business, and, in August 2012, by a letter of intent to acquire the Edge Loyalty online loyalty and rewards business. Whilst currently small, these businesses are expected to grow over the next few years. The revenues and costs of the digital group are included in total net corporate and other costs.

The VRL Board also introduced a new Corporate Governance Committee which comprises three independent non-executive directors and provides oversight and advice on governance to the VRL Board.

Mr John Kirby, the Company's Executive Deputy Chairman, retired at year end as an executive director, moving to non-executive Deputy Chairman. The VRL Board pays tribute to Mr Kirby's contribution to the growth and development of the Company over many years.

In 2012 the Company undertook a small shareholder sale transaction which enabled shareholders with unmarketable parcels of shares to efficiently and cost effectively dispose of their holdings and exit the register, bringing cost savings to the Company.

The VRL Board has declared an unfranked final dividend of 10 cents per share, with a record date of 13 September 2012, payable on 4 October 2012. This compares to the prior period final dividend of 8 cents per share, which was fully franked. After including the interim dividend of 12 cents per share unfranked, which was paid in March 2012, this takes the total dividends for the 2012 financial year to 22 cents per share unfranked.

***A copy of this release can also be found at* www.villageroadshow.com.au**

RECONCILIATION OF RESULTS FOR THE YEAR ENDED 30 JUNE 2012

	Theme Parks		Cinema Exhibition		Film Distribution		Other		Total	
	2012 $'000	2011 $'000	2012 $'000	2011 $'000	2012 $'000	2011 $'000	2012 $'000	2011 $'000	2012 $'000	2011 $'000
(i) Reconciliation of results:										
Continuing Operations:										
Earnings before Interest, Tax, Depreciation and Amortisation, excluding material items of income and expense ("EBITDA")	**87,364**	**87,222**	**51,140**	**46,384**	**50,752**	**50,518**	**(34,600)**	**(43,593)**	**154,656**	**140,531**
Depreciation and amortisation	(33,575)	(31,668)	(13,001)	(12,492)	(2,768)	(6,915)	(2,618)	(3,296)	(51,962)	(54,371)
Finance costs before fair value change on derivatives	(25,795)	(24,939)	(5,130)	(6,382)	(8,075)	(9,916)	(2,159)	(11,354)	(41,159)	(52,591)
Interest income	498	497	1,034	845	1,580	1,792	10,387	10,420	13,499	13,554
Operating profit (loss) before tax and material items of income and expense ("PBT")	**28,492**	**31,112**	**34,043**	**28,355**	**41,489**	**35,479**	**(28,990)**	**(47,823)**	**75,034**	**47,123**
Income tax (expense) benefit, excluding material items	(8,544)	(9,847)	(9,433)	(6,395)	(12,435)	(11,045)	8,210	11,417	(22,202)	(15,870)
Operating profit (loss) after tax, before material items of income and expense	**19,948**	**21,265**	**24,610**	**21,960**	**29,054**	**24,434**	**(20,780)**	**(36,406)**	**52,832**	**31,253**
Material items of income and expense before tax	(7,419)	(15,970)	(87)	(8,800)	(808)	801	56	(36,247)	(8,258)	(60,216)
Income tax (expense) benefit – material items	1,401	3,740	26	149	242	(240)	(12,472)	53,403	(10,803)	57,052
Material items of income and expense after tax	(6,018)	(12,230)	(61)	(8,651)	(566)	561	(12,416)	17,156	(19,061)	(3,164)
Total profit (loss) before tax from continuing operations	21,073	15,142	33,956	19,555	40,681	36,280	(28,934)	(84,070)	66,776	(13,093)
Total income tax (expense) benefit from continuing operations	(7,143)	(6,107)	(9,407)	(6,246)	(12,193)	(11,285)	(4,262)	64,820	(33,005)	41,182
Total profit after tax from continuing operations per the statement of comprehensive income	**13,930**	**9,035**	**24,549**	**13,309**	**28,488**	**24,995**	**(33,196)**	**(19,250)**	**33,771**	**28,089**
Discontinued Operations:										
Attributable profit after tax from discontinued operations									--	157,427
Net profit attributable to the members of Village Roadshow Limited									**33,771**	**185,516**
(ii) Material items of income and expense from continuing operations:										
Unrealised mark to market profits (losses) on interest rate and foreign currency derivatives not designated in hedging relationships									(5,508)	1,283
Impairment, write-downs and provisions relating to non-current assets and onerous lease									(2,750)	(24,807)
Equity-accounted losses on net investments									--	(32,332)
Restructuring costs									--	(4,360)
Total loss from material items of income and expense before tax									(8,258)	(60,216)
Income tax (expense) benefit									(10,803)	57,052
Total loss from material items of income and expense after tax									(19,061)	(3,164)
(iii) Earnings Per Share adjusted to eliminate discontinued operations and material items of income and expense from the calculations:										
Basic EPS									34.9c	22.9c
Diluted EPS									34.4c	22.9c
Total EPS									n/a	20.1c

Note: The VRL group results are prepared under Australian Accounting Standards, and also comply with International Financial Reporting Standards ("IFRS"). The Reconciliation of Results 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 management. 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. It is noted that the audit of the financial statements for the year ended 30 June 2012 is still in the process of being completed.

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Consolidated Statement of Comprehensive Income

		2012 $A'000	2011 $A'000
	Continuing operations		
1.1	Income *(refer item 1.21)*	927,177	925,854
1.2	Expenses excluding finance costs *(refer item 1.22) (refer note 1 below)*	(819,475)	(851,585)
1.3	Finance costs *(refer item 1.23) (refer note 2 below)*	(46,692)	(51,227)
1.4	Share of net profits (losses) of associates and jointly controlled entities accounted for using the equity method *(refer item 16.3) (refer note 3 below)*	5,766	(36,135)
1.5	Profit (loss) from continuing operations before income tax expense	66,776	(13,093)
1.6	Income tax (expense) benefit	(33,005)	41,182
1.7	Profit after tax from continuing operations	33,771	28,089
	Discontinued operations		
1.8	Profit after tax from discontinued operations *(refer item 12.1)*	--	176,183
1.9	**Net Profit for the period**	**33,771**	**204,272**
	Profit for the period is attributable to:		
1.10	Non-controlling interest - discontinued operations *(refer item 12.1)*	--	18,756
1.11	Owners of the parent	33,771	185,516
		33,771	**204,272**
	Other comprehensive income		
1.12	Cash flow hedges	1,860	(1,697)
1.13	Foreign currency translation	(325)	(15,686)
1.14	Income tax (expense) benefit on items of other comprehensive income	(558)	509
1.15	**Other comprehensive income (expense) for the period after tax**	**977**	**(16,874)**
1.16	**Total comprehensive income for the period**	**34,748**	**187,398**
	Total comprehensive income for the period is attributable to:		
1.17	Non-controlling interest	--	18,977
1.18	Owners of the parent	34,748	168,421
		34,748	**187,398**

Note 1. Expenses excluding finance costs include material items of income & expense totalling a loss of $2.8 million (2011: loss of $24.6 million) - refer attached Reconciliation of Results.
Note 2. Finance costs include material items of income & expense of $5.5 million of unrealised mark-to-market losses (2011: $1.4 million of unrealised mark-to-market gains) on interest rate derivatives not designated in hedging relationships - refer item 1.23 and attached Reconciliation of Results.
Note 3. Equity accounted results in 2011 include material items of income & expense loss of $37.0 million, representing a loss of $4.7 million for impairment of investments and a loss of $32.3 million for equity accounting of net investment – refer item 17.1 and attached Reconciliation of Results.

Earnings per security (EPS)

		2012	2011
1.19	Basic EPS	22.3c	135.9c
1.20	Diluted EPS	22.0c	135.9c

Refer item 10.1 and attached Reconciliation of Results for additional EPS disclosures including EPS from continuing operations and EPS excluding material items and discontinued operations.

Notes to the Consolidated Statement of Comprehensive Income

	2012 $A'000	2011 $A'000
1.21 Income from continuing operations		
Revenues from continuing operations:		
Sale of goods	330,642	348,667
Rendering of services	561,137	541,633
Finance revenue:		
Other entities	12,858	11,892
Associated entities	641	1,662
Total revenues from continuing operations	905,278	903,854
Other income from continuing operations:		
Management fee income from:		
Other entities	4,338	5,322
Associated entities	1,978	2,083
Net gains on disposal of property, plant & equipment	107	716
Unearned revenue written back	4,230	2,545
Commissions/fees received	3,185	1,772
Other	8,061	9,562
Total other income from continuing operations	21,899	22,000
Total income from continuing operations	**927,177**	**925,854**

Notes to the Consolidated Statement of Comprehensive Income (continued)

	2012 $A'000	2011 $A'000
1.22 Expenses excluding finance costs, from continuing operations		
Employee expenses:		
Employee benefits	13,831	13,354
Defined contribution superannuation expense	12,844	12,495
Remuneration and other employee expenses	168,516	180,986
Total employee expenses	195,191	206,835
Cost of Goods Sold	72,767	83,693
Occupancy expenses:		
Operating lease rental – minimum lease payments	43,400	42,012
Operating lease rental – contingent rental payments	4,572	3,938
Other occupancy expenses	23,629	25,192
Total occupancy expenses	71,601	71,142
Film hire and other film expenses	219,325	232,690
Depreciation of:		
Buildings & improvements	2,678	2,706
Plant, equipment & vehicles	33,424	33,798
Amortisation of:		
Leasehold improvements	10,036	8,754
Finance lease assets	753	1,548
Other deferred expenditure	26	--
Other intangibles	5,045	7,565
Total depreciation and amortisation	51,962	54,371
Net loss on disposal of investments	--	1,013
Net loss on disposal of receivables	--	45
Net loss on disposal of intangibles	734	--
Net foreign currency (gains) losses	(376)	3,689
Unrealised mark to market (gain) loss on foreign exchange derivatives	(25)	81
Impairments and provisions relating to non-current assets and onerous leases (refer material items of income and expense in attached Reconciliation of Results)	2,750	20,097
Legal expenses	2,134	1,855
Management & service fees paid	2,830	3,077
Advertising and promotions	117,373	95,658
Insurance expenses	4,625	3,583
Theme park operating expenses	14,919	14,655
Repairs and maintenance	12,768	11,255
Consulting fees	6,258	5,406
Regulatory and licence fees	5,391	4,841
Telecommunications	2,581	2,830
General and administration expenses:		
Provision (reversal of provision) for doubtful debts	(48)	(180)
Bad debts written back	(431)	(423)
Other general and administration expenses	37,146	35,372
Total general and administration expenses	36,667	34,769
Total expenses from continuing operations excluding finance costs	**819,475**	**851,585**

1.23 Finance Costs – Continuing Operations

	2012 $A'000	2011 $A'000
Total finance costs before fair value change on derivatives	41,159	52,591
Fair value change on derivatives (refer material items of income and expense in attached Reconciliation of Results)	5,533	(1,364)
Total finance costs	46,692	51,227

Notes to the Consolidated Statement of Comprehensive Income (continued)

Net Gain/(Loss) on Sale – Continuing Operations	2012 $A'000	2011 $A'000
1.24 Net gain/(loss) on sale of:		
Property, plant & equipment	107	716
Investments	--	(1,013)
Receivables	--	(45)

1.25 Calculation of Income tax on continuing and discontinued operations	2012 $A'000	2011 $A'000
Prima-facie income tax (expense) benefit from continuing operations	(20,033)	3,928
Adjustments in respect of current income tax of previous years[1]	(12,455)	12,455
Other deductible expenses[2]	--	9,035
Net losses of overseas subsidiaries not brought to account	(1,958)	(3,396)
Foreign tax credits not previously brought to account, now utilised or brought to account[2]	--	5,832
Adjustments to non-current tax liabilities[2]	--	24,900
After-tax equity accounted profits (losses) included in pre-tax profit	1,730	(10,841)
Other	(289)	(731)
Total income tax (expense) benefit – continuing operations *(item 1.6)*	(33,005)	41,182
Income tax (expense) benefit attributable to discontinued operations	--	(83,618)
Total income tax (expense)	(33,005)	(42,436)

[1] Included as income tax (expense) benefit in material items of income and expense in attached Reconciliation of Results for 2011 and 2012.
[2] Included as income tax (expense) benefit in material items of income and expense in attached Reconciliation of Results for 2011.

1.26 Consolidated retained earnings / (accumulated losses)	2012 $A'000	2011 $A'000
Retained earnings (accumulated losses) at the beginning of the period	333,684	(42,174)
Net profit attributable to members *(item 1.11)*	33,771	185,516
Net transfers from reserves	--	220,628
Dividends and distributions paid or payable	(151,469)	(30,286)
Retained earnings at end of financial period	**215,986**	**333,684**

Note: Net transfers from reserves in 2011 relates to the transfer of the total balance of the Controlled Entity Share Sale & Buyback Reserve to retained earnings, following the disposal of the investment in Austereo Group Limited.

Intangible items	*Consolidated – Current period – A$'000*			
	Before tax (a)	Related tax (b)	Related non-controlling interests (c)	Amount (after tax) attributable to members (d)
2.1 Amortisation of other intangibles	(5,045)	1,514	--	(3,531)

Note: mainly relates to amortisation of Film Distribution Rights and Software.

Comparison of half year profits/(losses)	2012 $A'000	2011 $A'000
3.1 Consolidated profit (loss) from continuing and discontinued operations after tax attributable to members reported for the *1st* half year *(item 2.3 in the half yearly report)*	28,270	33,747
3.2 Consolidated profit (loss) from continuing and discontinued operations after tax attributable to members for the *2nd* half year	5,501	151,769

Consolidated Statement of Financial Position

		2012 $A'000	2011 $A'000
	Current assets		
4.1	Cash and cash equivalents	193,574	431,670
4.2	Trade and other receivables	116,198	98,862
4.3	Film distribution royalties	35,955	27,214
4.4	Inventories	15,143	18,365
4.5	Current tax assets	3,991	--
4.6	Derivatives	--	2
4.7	Other	5,611	5,975
4.8	**Total current assets**	**370,472**	**582,088**
	Non-current assets		
4.9	Trade and other receivables	12,645	10,148
4.10	Investments (equity accounted)	21,119	16,126
4.11	Available-for-sale investments	2,997	302
4.12	Property, plant and equipment	537,178	521,024
4.13	Film distribution royalties	90,484	47,169
4.14	Intangibles – goodwill (net)	231,354	234,604
4.15	Intangibles - other (net)	61,741	55,771
4.16	Deferred tax assets	2,814	2,663
4.17	Derivatives	--	--
4.18	Other	1,964	2,209
4.19	**Total non-current assets**	**962,296**	**890,016**
4.20	**Total assets**	**1,332,768**	**1,472,104**
	Current liabilities		
4.21	Trade and other payables	179,080	150,450
4.22	Interest bearing loans and borrowings	35,001	46,261
4.23	Derivatives	3,563	2,863
4.24	Income tax payable	1,192	52,968
4.25	Provisions (excluding tax liabilities)	29,463	28,219
4.26	Unearned revenue	33,015	26,895
4.27	Other	--	61
4.28	**Total current liabilities**	**281,314**	**307,717**
	Non-current liabilities		
4.29	Trade and other payables	62,395	30,504
4.30	Interest bearing loans and borrowings	412,543	438,923
4.31	Deferred tax liabilities	39,675	14,324
4.32	Derivatives	4,360	1,414
4.33	Provisions (excluding tax liabilities)	9,670	11,861
4.34	Other	--	644
4.35	**Total non-current liabilities**	**528,643**	**497,670**
4.36	**Total liabilities**	**809,957**	**805,387**
4.37	**Net assets**	**522,811**	**666,717**
	Equity		
	Parent entity interest:		
4.38	Contributed equity	222,853	250,409
4.39	Reserves	83,972	82,624
4.40	Retained earnings	215,986	333,684
4.41	Parent interests	522,811	666,717
4.42	Non-controlling interests	--	--
4.43	**Total equity**	**522,811**	**666,717**

5. Exploration and evaluation expenditure capitalised – N/A

6. Development properties - N/A

	Consolidated Statement of Cash Flows [1]	2012 $A'000	2011 $A'000
	Cash flows from operating activities		
7.1	Receipts from customers	992,771	1,280,220
7.2	Payments to suppliers and employees	(846,492)	(1,072,981)
7.3	Dividends and distributions received	--	5,144
7.4	Interest and other items of similar nature received	16,972	13,834
7.5	Finance costs	(34,730)	(61,039)
7.6	Income taxes paid [3]	(2,615)	(15,367)
7.7	**Net cash flows from operating activities**	**125,906**	**149,811**
	Cash flows from investing activities		
7.8	Purchases of property, plant, equipment	(60,843)	(77,797)
7.9	Purchases of software and other intangibles	(7,527)	(1,066)
7.10	Proceeds from sale of property, plant and equipment	1,595	1,142
7.11	Purchase of equity investments	(4,553)	(9,780)
7.12	Proceeds from sale of equity investments [2]	--	554,923
7.13	Tax on disposal of investments [3]	(62,121)	--
7.14	Loans to (or repaid to) other entities	(23,626)	(5,363)
7.15	Loans from (or repaid by) other entities	17,640	34,755
7.16	**Net cash flows from (used in) investing activities**	**(139,435)**	**496,814**
	Cash flows from financing activities		
7.17	Proceeds from issues of shares	249	--
7.18	Proceeds from borrowings	3,641	161,300
7.19	Repayment of borrowings [4]	(46,914)	(387,777)
7.20	Dividends and distributions paid	(151,469)	(47,800)
7.21	Capital reduction / buyback of shares	(30,292)	(41,372)
7.22	**Net cash flows from (used in) financing activities**	**(224,785)**	**(315,649)**
7.23	**Net increase (decrease) in cash held**	**(238,314)**	**330,976**
7.24	Cash at beginning of period *(see reconciliation of cash)*	431,670	101,720
7.25	Exchange rate adjustments to item 7.24	218	(1,026)
7.26	**Cash at end of period** *(see reconciliation of cash)*	**193,574**	**431,670**

Notes to the Consolidated Statement of Cash Flows:

1. For the purposes of the statement of cash flows, cash includes deposits at call with financial institutions and other highly liquid investments with short periods to maturities which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

2. Proceeds from sale of equity investments in 2011 of $554.9 million includes $171.8 million relating to the disposal of the Attractions division, being Sydney Attractions Group and Kelly Tarlton's in New Zealand, and $376.1 million relating to the disposal of the Radio division, being Austereo Group Limited.

3. Total tax paid in 2012 was $64.7 million (2011: $15.4 million), including $62.1 million in 2012 relating to the disposal of the Attractions and Radio divisions referred to in Note 2.

4. Repayment of borrowings in 2011 of $387.8 million includes $58.0 million relating to Sydney Attractions Group, which was repaid out of the sale proceeds relating to Sydney Attractions Group at the time of settlement of the sale.

Notes to the Consolidated Statement of Cash Flows (Continued):

Reconciliation of net profit after tax to net operating cash flows

	2012 $A'000	2011 $A'000
Net profit	**33,771**	**204,272**
Adjust for:		
Depreciation	36,102	44,682
Amortisation	15,860	18,757
Impairment and write-downs of non-current assets (refer item 1.22 & material items of income & expense in attached Reconciliation of Results)	2,750	16,502
Provisions	(2,813)	4,539
Net (gains) losses on disposal of assets	628	(200,897)
Unrealised foreign currency (profit)/loss	(53)	134
Unrealised derivative (gain) loss (refer items 1.22, 1.23 and material items of income and expense in attached Reconciliation of Results)	5,533	(1,571)
Net equity accounted (profits) losses	(5,766)	34,409
Changes in assets & liabilities:		
Trade and other receivables	(8,445)	17,282
Trade and other payables	59,334	(36,284)
Income tax payable (refundable)	5,190	52,968
Unearned income	6,120	461
Other payables and provisions	(2,823)	13,670
Inventories	3,222	(491)
Capitalised borrowing costs	2,657	3,322
Deferred and other income tax assets and liabilities	25,200	(25,899)
Prepayments and other assets	(50,561)	3,955
Net operating cash flows	**125,906**	**149,811**

Reconciliation of cash and cash equivalents

	Reconciliation of cash and cash equivalents at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	2012 $A'000	2011 $A'000
8.1	Cash on hand and at bank	43,415	45,238
8.2	Deposits at call	150,159	386,432
8.3	Bank overdraft	--	--
8.4	Total cash at end of period – continuing operations	193,574	431,670
8.5	Cash on hand & at bank attributable to discontinued operations	--	--
8.6	**Total cash and cash equivalents at end of period**	**193,574**	**431,670**

Disposal of controlled entities

During the year ended 30 June 2011, the economic entity disposed of its Attractions division, being the Sydney Attractions Group and Kelly Tarlton's in New Zealand, effective from 26 December 2010, and it also disposed of its Radio division, being Austereo Group Limited, effective from 31 March 2011 (refer item 12.1).

Undrawn credit facilities

The economic entity has undrawn credit facilities at balance date of $136.5 million (2011: $8.0 million).

Notes to the Consolidated Statement of Cash Flows (Continued):

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. (If an amount is quantified, show comparative amount.)

N/A

Acquisition of controlled entities/Business combinations

N/A

Other notes to the financial statements

Ratios		Current period	Previous corresponding period
9.1	**Profit before tax / revenue** Consolidated profit (loss) from continuing operations before income tax expense *(item 1.5)* as a percentage of income *(item 1.1)*	7.2%	(1.4%)
9.2	**Profit after tax / +equity interests** Consolidated profit (loss) attributable to members of Village Roadshow Limited *(item 1.11)* as a percentage of parent entity equity at the end of the period *(item 4.41)*	6.5%	27.8%

Earnings per share (EPS)		Current period	Previous corresponding period
10.1	Details of basic and diluted EPS reported separately in accordance with paragraph 9 and 30 of AASB133 *Earnings Per Share* are as follows.		
	Basic EPS[1,2]	22.3c	135.9c
	Diluted EPS[1,2]	22.0c	135.9c
	Basic and diluted EPS from continuing operations are as follows:		
	Basic EPS[1,2]	22.3c	20.6c
	Diluted EPS[1,2]	22.0c	20.6c
	Weighted Average Number of shares outstanding during the period used in the calculations of EPS:		
	Ordinary Shares – Basic EPS	151,508,835	136,554,235
	Ordinary Shares – Diluted EPS	153,412,594	136,554,235

Note 1. Basic and diluted EPS calculated in accordance with AASB 133: *Earnings Per Share*.

Note 2. Under Accounting Standard AASB 2: *Share Based Payment*, shares issued under the company's various share plans are required to be accounted for as options. Shares issued under these plans are referred to as 'in-substance' options, and are included in Ordinary Shares for the purposes of the EPS calculation.

NTA backing		Current period A$	Previous corresponding period A$
11.1	Net tangible asset backing per +ordinary security	1.50	2.48

Discontinued Operations

12.1 There were no discontinued operations in the year ended 30 June 2012. As advised in a number of announcements to the Australian Securities Exchange ("ASX") during the year ended 30 June 2011, the VRL group sold its Attractions division, being the Sydney Attractions Group and Kelly Tarlton's in New Zealand, effective from 26 December 2010. Also, as advised in a number of announcements to ASX during the year ended 30 June 2011, the VRL group accepted a takeover offer from Southern Cross Media Group Limited for all of its shares in Austereo Group Limited, and elected to receive all consideration in cash. The sale of Austereo Group Limited was accounted for as being effective from 31 March 2011. The total gain on disposal of discontinued operations in the year ended 30 June 2011 was $134.3 million after tax.

Details of the results of those discontinued operations for the current and previous corresponding periods are as follows:

	Consolidated 2012 $A'000	Consolidated 2011 $A'000
Comprehensive Income Information		
Revenues	--	236,946
Other income	--	203,707
Share of associates' profit	--	1,726
Finance costs	--	(12,618)
Expenses excluding finance costs	--	(169,960)
Profit from discontinued operations before tax	--	259,801
Income tax (expense)	--	(83,618)
Profit from discontinued operations after tax	--	176,183
Non-controlling interest	--	18,756
Profit after tax attributable to members of the parent	--	157,427
Cash Flow Information		
The consolidated net cashflows of the discontinued operations during the reporting period were as follows:		
Net operating cashflows	--	54,730
Net investing cashflows	--	533,168
Net financing cashflows [1]	--	(100,565)
Total net cashflows	--	487,333
Financial Position / Other Information		
Assets – carrying amount at reporting date	--	--
Liabilities at reporting date	--	--
Net Assets (Liabilities) at reporting date	--	--
Proceeds from net assets disposed	--	547,848
Net assets disposed	--	346,805
Gain on disposal of net assets before income tax	--	201,043
Income tax (expense) benefit relating to the disposal of net liabilities	--	(66,793)
Gain on disposal of net assets after income tax	--	134,250

Note 1: Included in the discontinued net financing cash flows for 2011 are dividends paid by Austereo Group Limited to Village Roadshow Limited of $19.4 million.

Control gained over entities having material effect

13.1	Name of entity (or group of entities)	N/A
13.2	Consolidated profit (loss) from continuing operations after tax of the entity (or group of entities) since the date in the current period on which control was +acquired	
13.3	Date from which such profit has been calculated	
13.4	Profit (loss) from continuing operations after tax of the entity (or group of entities) for the whole of the previous corresponding period	

Loss of control of entities having material effect

14.1	Name of entity (or group of entities)	N/A
14.2	Consolidated attributable profit (loss) after tax of the entity (or group of entities) for the current period to the date of loss of control	
14.3	Date to which the profit (loss) in item 14.2 has been calculated	
14.4	Consolidated profit (loss) after tax of the entity (or group of entities) while controlled during the whole of the previous corresponding period	
14.5	Contribution to consolidated profit (loss) from sale of interest leading to loss of control	

Dividends & Distributions

15.1	Date the dividend is payable	4 October 2012
15.2	+Record date to determine entitlements to the dividend (ie, on the basis of registrable transfers received by 5.00 pm if +securities are not +CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if +securities are +CHESS approved)	13 September 2012
15.3	Has the dividend been declared?	Yes

Amount per Security

			Amount per security	Franked amount per security at 30% tax	Conduit foreign income per security
	Final dividend:				
15.4	Current year – Ords	*(To be paid October 2012)*	10.0c	--	10.0c
15.5	Previous year – Ords	*(Paid October 2011)*	8.0c	8.0c	--
	Interim dividend:				
15.6	Current year – Ords	*(Paid March 2012)*	12.0c	--	12.0c
15.7	Previous year – Ords	*(Paid April 2011)*	8.0c	5.6c	2.4c
	Distribution:				
15.8	Current year – Ords	*(Paid July 2011)*	80.0c	80.0c	--
15.9	Previous year – Ords		--	--	--
	Special dividend:				
15.10	Current year – Ords		--	--	--
15.11	Previous year – Ords	*(Paid April 2011)*	12.0c	8.4c	3.6c

Total Dividend & Distribution per security

		Current year	Previous year
15.12	+Ordinary securities	102.0c	28.0c

Dividends & Distributions paid on all securities

		Current period $A'000	Previous corresponding Period $A'000
15.13	+Ordinary securities *(each class separately)*	151,469	30,286
15.14	**Total**	**151,469**	**30,286**

The +dividend or distribution plans shown are in operation	N/A
The last date(s) for receipt of election notices for the +dividend or distribution plans	N/A
Any other disclosures in relation to dividends (distributions)	N/A

Details of aggregate share of profits (losses) of associates and joint venture entities

	Group's share of associates' and joint venture entities':	Current period $A'000	Previous corresponding period $A'000
16.1	Profit (loss) from continuing operations before income tax	5,958	(35,125)
16.2	Income tax (expense) benefit on continuing operations	(192)	(1,010)
16.3	**Share of net profit (loss) of associates and joint venture entities**	**5,766**	**(36,135)**

Note 1. Equity accounted results in the previous corresponding period include material items of income & expense loss of $37.0 million, representing a loss of $4.7 million for impairment of investments and a loss of $32.3 million for equity accounting of net investment – refer attached Reconciliation of Results.

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities.

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Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) after tax (item 1.4)	
17.1 **Equity accounted associates and joint venture entities**	Current period	Previous corresponding period	Current Period A$'000	Previous corresponding period A$'000
Associates:				
Dartina Development Ltd.	50.00%	50.00%	6,145	5,077
Village Roadshow Entertainment Group Ltd. [1,2]	47.63%	40.44%	--	(32,332)
IPic-Gold Class Entertainment LLC [3]	30.00%	30.00%	(414)	(8,008)
Other [4]	N/A	N/A	(49)	(22)
			5,682	**(35,285)**
Joint venture entities/partnerships:				
VRGCC Holdings LLC [3]	50.00%	50.00%	--	--
Other [4]	N/A	N/A	84	(850)
			84	**(850)**
17.2 **Total**			**5,766**	**(36,135)**

Notes:

1. Prior to the most recent restructuring in June 2012, the position in relation to Village Roadshow Entertainment Group Limited ("VREG") is summarised as follows. The Village Roadshow Limited group ("VRL group") held 40.44% of the ordinary shares in VREG. The VRL group also held preference shares (VL Class shares) in VREG, which derived from a US$45 million loan made in 2009. In addition, the VRL group held a further class of preference shares in recognition of certain priority distributions that the VRL group was entitled to (V Class shares). As a result of the Shareholders Agreement applicable at that time, which required consensus for key decisions, the shares held by the VRL group did not deliver control of VREG to the VRL group in accordance with AASB 127: *Consolidated and Separate Financial Statements*, therefore the VRL group accounted for VREG in accordance with AASB 128: *Investments in Associates*.

   During the year ended 30 June 2011, the remaining carrying value of the VL Class preference shares of $32.3 million (previously being a loan to VREG) was determined to be part of the net investment in VREG for accounting purposes, and as a result, further unrecognised equity-accounted losses of VREG were applied against this amount, reducing the carrying value to nil as at 30 June 2011 (refer material items of income and expense in attached Reconciliation of Results).

   Following the most recent restructuring in June 2012, the current position in relation to VREG is summarised as follows. As advised to the Australian Securities Exchange on 29 June 2012, VREG obtained US$275 million of new funding, as part of a restructuring of its capital base. Under the restructuring, the ordinary shares and V Class shares held by the VRL group all became ordinary shares.

   Following this restructuring, the VRL group is the largest shareholder in VREG, with 47.63% of the ordinary shares of VREG. The terms of the VL Class shares owned by the VRL group were modified to become dividend bearing non-voting redeemable equity shares of approximately US$100 million. The VL Class shares are scheduled to be redeemed by 2018 and can be converted into ordinary shares upon an Initial Public Offering ("IPO") of VREG. Subject to the film performance of VREG films, the VRL group will receive approximately US$5 million p.a. in dividends on the VL Class shares, as they will earn a 5% p.a. cash dividend and 9% p.a. payment in kind. Partial capital redemption of the VL Class shares will commence from 2015, proportionately with the US$275 million of new funding. The VL Class shares are subordinated to the new funding in the event of default or poor film performance.

   Also following this restructuring in June 2012, the VRL group's accounting treatment of VREG has been reviewed in detail. The provisions of the latest VREG Shareholders Agreement, which was amended as part of the June 2012 restructuring, mean that the VRL group is not able to control VREG in accordance with AASB 127: *Consolidated and Separate Financial Statements*, however the VRL group does have significant influence over VREG in accordance with AASB 128: *Investments in Associates*. Therefore, the investment in VREG continues to be equity-accounted, and as a result of the significant negative net asset position of VREG, the carrying value of the shareholding, including the VL Class shares, continues to be fully provided against, so that the VRL group has no carrying value for accounting purposes.

2. Prior to 30 June 2011, the VRL group executed a loan facility agreement with Village Roadshow Entertainment Group (Asia) Limited ("VREG Asia"), which is part of the VREG group. The total facility amount was US$17.5 million, which was undrawn as at 30 June 2011. This loan facility was provided to fund VREG Asia's investment in its Chinese film business. During the year ended 30 June 2012, the total amount that had been drawn under this loan (A$8.6 million), and all accrued interest (A$0.6m), was repaid by VREG Asia, following the restructuring of VREG in June 2012 (as summarised above).

Material interests in entities which are not controlled entities (continued)

Notes (continued):

3. During the year ended 30 June 2011, as detailed in Note 11(b)(iii) of the VRL group financial report for the year ended 30 June 2011, the restructured Gold Class USA operations were transferred from VRGCC Holdings LLC to IPic-Gold Class Entertainment LLC. Included in the IPic-Gold Class Entertainment LLC results for 2012 is an impairment of the investment carrying value of $0.4 million (2011: $4.7 million impairment – refer material items of income and expense in attached Reconciliation of Results).

4. In relation to 'other' associates and joint venture entities/partnerships referred to above, there have been no significant changes in the state of affairs during the period.

Issued and quoted securities at end of current period

(Description includes rate of interest and any redemption or conversion rights together with prices and dates.)

Category of +securities		Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
18.1	**Preference +securities** *(description)*	N/A	N/A		
18.2	Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions				
18.3	**+Ordinary securities** [1]	153,240,089	153,240,089		
18.4	Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks	1,781,533 --	1,781,533 --		
18.5	**+Convertible debt securities** *(description and conversion factor)*	N/A	N/A		
18.6	Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks				
18.7	**Options** *(description and conversion factor)* Details of options over Ordinary shares issued in July 2008, with an effective grant date of 1 March 2008 were as follows:			*Exercise Price* [2]	*Expiry Date (if any)*
	Options over Ordinary shares	1,250,036	--	$2.00	1/3/2015
	Options over Ordinary shares	2,000,000	--	$2.00	1/3/2015
	Options over Ordinary shares	2,000,000	--	$2.00	1/3/2015
18.8	Issued during current period				
18.9	Exercised during current period				
18.10	Lapsed during current period	(492,868)	--		
18.11	**Debentures** *(description)*				
18.12	Changes during current period	N/A	N/A		
18.13	**Unsecured notes** *(description)*				
18.14	Changes during current period	N/A	N/A		

Note 1. Accounting Standard AASB 2: *Share Based Payment* requires shares issued under the company's various share plans to be accounted for as options. Shares issued under these plans are referred to as 'in-substance' options, and are included in the Ordinary securities disclosed in item 18.3, and excluded from the Options disclosed in item 18.7.

Note 2. Following approval by shareholders in general meeting, the exercise price of the options over ordinary shares was reduced from $3.00 to $2.00 per option effective from 19 July 2011, to reflect the distribution of $1.00 per share paid on that date.

19.1 Segment Reporting[1]

	Theme Parks		Cinema Exhibition		Film Distribution		Other[2]		Total	
	2012 $'000	2011 $'000	2012 $'000	2011 $'000	2012 $'000	2011 $'000	2012 $'000	2011 $'000	2012 $'000	2011 $'000
Reporting by Operating Segments - Continuing Operations:										
Segment revenue – services	182,851	183,728	184,484	179,846	206,459	185,006	--	--	573,794	548,580
Segment revenue – goods	94,861	95,465	60,753	55,730	180,822	204,879	--	--	336,436	356,074
Total segment revenue	277,712	279,193	245,237	235,576	387,281	389,885	--	--	910,230	904,654
Plus: Non-segment revenue	--	--	--	--	--	--	17,383	18,003	17,383	18,003
Less: Inter-segment revenue	--	--	--	--	(20,240)	(17,417)	(2,095)	(1,386)	(22,335)	(18,803)
Total Revenue									**905,278**	**903,854**
Segment results before tax	28,492	31,112	34,043	28,355	41,489	35,479	--	--	104,024	94,946
Non-segment result (Corporate) before tax	--	--	--	--	--	--	(28,990)	(47,823)	(28,990)	(47,823)
Operating profit (loss) before tax – segment purposes	**28,492**	**31,112**	**34,043**	**28,355**	**41,489**	**35,479**	**(28,990)**	**(47,823)**	**75,034**	**47,123**
Unrealised mark to market profits (losses) on interest rate and foreign currency derivatives not designated in hedging relationships									(5,508)	1,283
Impairment, write-downs and provisions relating to non-current assets and onerous lease (including $4.709 million equity-accounted in 2011)									(2,750)	(24,807)
Equity-accounted losses on net investments									--	(32,332)
Restructuring costs									--	(4,360)
Operating profit before tax									**66,776**	**(13,093)**
Income tax (expense) / benefit									(33,005)	41,182
Total profit after tax from continuing operations per the statement of comprehensive income									**33,771**	**28,089**
Interest income	498	497	1,034	845	1,580	1,792	10,387	10,420	13,499	13,554
Finance costs before fair value change on derivatives	25,795	24,939	5,130	6,382	8,075	9,916	2,159	11,354	41,159	52,591
Finance costs – fair value change on derivatives									5,533	(1,364)
Total finance costs									46,692	51,227
Depreciation and amortisation expense	33,575	31,668	13,001	12,492	2,768	6,915	2,618	3,296	51,962	54,371
Equity-accounted net profit (loss)									5,766	(36,135)
Non-cash expenses other than depreciation	6	12	79	41	--	122	26	134	111	309
Capital expenditure	45,197	38,164	11,949	20,503	2,130	2,381	9,094	3,779	68,370	64,827

[1] Description of Reportable Segments: Theme Parks: Theme park and water park operations
Cinema Exhibition: Cinema exhibition operations
Film Distribution: Film, DVD & video distribution operations

[2] The 'Other' column represents financial information which is not reported in one of the reportable segments

Basis of financial report preparation

21.1 A description of each event since the end of the current period which has had a material effect and which is not already reported elsewhere in this Appendix or in attachments, with financial effect quantified (if possible).

N/A

21.2 Material factors affecting the revenues and expenses of the economic entity for the current period. In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations.

Refer narrative.

21.3 Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

Franking credits available as at 30 June 2012 will need to be assessed in conjunction with estimated franking account movements in the year ending 30 June 2013, at the time of declaring any dividends.

21.4 Unless disclosed below, the accounting policies, estimation methods and measurement bases used in this report are the same as those used in the last annual report. Any changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows. (Disclose changes in accounting policies in the preliminary final report in accordance with AASB 108: Accounting Policies, Changes in Accounting Estimate and Errors).

N/A

21.5 Revisions in estimates of amounts reported in previous interim periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous +annual reports if those revisions have a material effect in this half year.

N/A

Basis of financial report preparation (continued)

21.6 Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last + annual report.

(a) Contingent Liabilities:

Contingent liabilities are not materially different from those disclosed in the 30 June 2011 financial report, as updated in the 31 December 2011 half-year financial report. The following contingent liabilities are not materially different to the position as disclosed in the 30 June 2011 financial report, as updated in the 31 December 2011 half-year financial report, but the latest information is as follows:

(i) Other contingent liabilities - Film Production and Music:

As disclosed in Note 22(a)(v) in the 30 June 2011 financial report, VRL continues to provide guarantees in relation to monies owing by affiliates of Village Roadshow Entertainment Group Limited ("VREG") to Warner Bros. Entertainment Inc. ("WB") and its affiliates. These guarantees include obligations for prints and advertising amounts owing by VREG to WB, amounts owing to WB in respect of tax rebates relating to film production activities (both of which are not considered to be contingent liabilities as they have been assessed as being remote, and both of which are not capped), and other amounts owing by VREG to WB, which are capped at US$50 million.

The total amount owing by VREG to WB as at 30 June 2012 in respect of prints and advertising amounts was US$0.2 million (30 June 2011: US$0.1 million), however as these amounts are recouped by WB directly out of film exploitation proceeds collected by WB, then the possibility of an outflow of funds from the VRL group under this guarantee has been assessed as being remote.

The total amount owing by VREG to WB as at 30 June 2012 in respect of tax rebates relating to film production activities was US$54.8 million. As these tax rebates are payable by Government authorities in Australia and the United Kingdom, the relevant films have qualified for the tax rebates, and the amounts owing by VREG to WB are less than the estimated refund amounts in each case, then the possibility of an outflow of funds from the VRL group under these guarantees has been assessed as being remote.

In the event that payments are made under the guarantees, VRL has recourse against VREG. VRL does not believe that any future payments will be required under these guarantees.

(ii) Other contingent liabilities – Income Tax:

As disclosed in Note 22(a)(vi) in the 30 June 2011 financial report, the VRL group anticipates that tax audits may occur from time to time in Australia, and the VRL group is subject to routine tax audits in certain overseas jurisdictions.

As disclosed in the 30 June 2011 financial report, following an initial review by the Australian Taxation Office ("ATO") which commenced in the year ended 30 June 2011, the ATO advised in July 2011 that they intended to conduct a tax audit of the VRL group in relation to certain non-interest bearing loans owing to Australian members of the VRL Tax Consolidated group predominantly by largely dormant overseas subsidiaries. In March 2012, the ATO advised in writing that, based on the information currently available, this tax audit would not be proceeding.

(iii) Other contingent liabilities - Belfast Rent Dispute:

As disclosed in Note 22(a)(vii) in the 30 June 2011 financial report, Village Theatres 3 Limited ("VT3"), a wholly-owned subsidiary in the VRL group, is continuing to take action against its landlord seeking damages. The landlord is also seeking payment of unpaid rent, which has been fully accrued in VT3's accounts as at 30 June 2012.

(b) Contingent Assets

Contingent assets are materially different from those disclosed in the 30 June 2011 financial report, as updated in the 31 December 2011 half-year financial report, as follows:

(i) Other contingent assets – Income Tax:

In the 31 December 2011 half-year financial report, it was noted that, as a result of announced changes to tax consolidation legislation by the Australian Government, the VRL group had lodged a number of income tax refund requests with the ATO, and anticipated lodging a number of further income tax refund requests prior to 30 June 2012. As the relevant legislation had not been drafted at that stage, the estimated refund amounts claimed or to be claimed, in excess of amounts which had already been recognised in the financial statements, which totalled approximately $9.9 million, had not been recognised in the financial statements at that stage.

As a result of the relevant legislation which was enacted in June 2012, these estimated additional amounts are no longer expected to be received.

Basis of financial report preparation (continued)

21.7 All financial results for the years ended 30 June 2012 and 30 June 2011 are in accordance with the requirements of International Financial Reporting Standards (IFRS), following the change from previous Australian Accounting Standards effective from 1 July 2004.

21.8 The presentation and classification of comparative items in this report have been adjusted where appropriate to ensure that the disclosures are consistent with the current period.

Additional disclosure for trusts

22.1 Number of units held by the management company or responsible entity or their related parties.	N/A
22.2 A statement of the fees and commissions payable to the management company or responsible entity. Identify initial service charges/management fees/other fees	

Annual meeting

The annual meeting will be held as follows:

Place	Jam Factory Cinemas, 500 Chapel Street, South Yarra, VIC, 3141
Date	15 November 2012
Time	9.00 am
Approximate date the +annual report will be available	15 October 2012

Compliance statement

1 This report has been prepared in accordance with AASB standards, other AASB authoritative / pronouncements and Standing Interpretations Committee Interpretations or other standards acceptable to ASX.

Identify other standards used	N/A

2 This report, and the +accounts upon which the report is based (if separate), use the same accounting policies.

3 This report does give a true and fair view of the matters disclosed.

4 This report is based on +accounts to which one of the following applies *(Tick one)*

☐	The +accounts have been audited.	☐	The +accounts have been subject to review.
✓	The +accounts are in the process of being audited or subject to review.	☐	The +accounts have *not* yet been audited or reviewed.

5 The entity has a formally constituted audit committee.

Sign here: _____ Date: 23 August 2012
(Company secretary)

Print name: SHAUN DRISCOLL