



Web Site: www.villageroadshow.com.au

23 August 2018

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'):

30 June 2018

Previous financial year ended ('previous corresponding period')

30 June 2017

Results for announcement to the market

Extracts from this report for announcement to the market.

\$A'000

Income from continuing operations (<i>item 1.1</i>)	Up	10.3%	to	1,146,536
Loss after tax from continuing operations (<i>item 1.7</i>)	Down	94.8%	to	(3,411)
Profit after tax from discontinued operations (<i>item 1.8</i>)		N/A	to	--
Net profit attributable to members of Village Roadshow Limited (<i>item 1.11</i>)	Up	N/A	to	219
Dividends (distributions)		Amount per security	Franked amount per security	Conduit foreign income per security
Reporting Period:				
- Final dividend (<i>item 15.4</i>)	- Ords	--	--	--
- Interim dividend (<i>item 15.6</i>)	- Ords	--	--	--
Previous Corresponding Period:				
- Final dividend (<i>item 15.5</i>)	- Ords	--	--	--
- Interim dividend (<i>item 15.7</i>)	- Ords	--	--	--
[†] Record date for determining entitlements to the dividend (<i>see item 15.2</i>)		N/A		
Brief explanation of any of the figures reported above:		Refer attached commentary.		

VILLAGE ROADSHOW LIMITED
RECONCILIATION OF RESULTS FOR THE YEAR ENDED 30 JUNE 2018

	Theme Parks		Cinema Exhibition		Film Distribution		Marketing Solutions		Other		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(i) Reconciliation of results:												
Continuing Operations:												
Earnings before Interest, Tax, Depreciation and Amortisation, excluding material items of income and expense ("EBITDA")	38,308	55,879	58,078	76,629	13,828	21,215	8,282	9,846	(27,633)	(27,283)	90,863	136,286
Depreciation and amortisation	(46,644)	(50,667)	(17,391)	(16,807)	(3,210)	(3,564)	(1,789)	(1,385)	(1,705)	(1,007)	(70,739)	(73,430)
Finance costs before finance restructuring costs	(16,298)	(14,070)	(4,659)	(4,696)	(4,440)	(4,399)	(2,461)	(2,487)	(2,777)	(6,063)	(30,635)	(31,715)
Interest income	188	72	149	161	573	564	50	1	366	853	1,326	1,651
Operating (loss) profit before tax and material items of income and expense ("PBT")	(24,446)	(8,786)	36,177	55,287	6,751	13,816	4,082	5,975	(31,749)	(33,500)	(9,185)	32,792
Income tax benefit (expense), excluding material items	5,565	2,067	(11,932)	(14,819)	(2,165)	(3,777)	(1,303)	(2,052)	12,556	10,491	2,721	(8,090)
Operating (loss) profit after tax, before material items of income and expense	(18,881)	(6,719)	24,245	40,468	4,586	10,039	2,779	3,923	(19,193)	(23,009)	(6,464)	24,702
Non-controlling interest, excluding material items	12	(317)	--	--	--	--	(842)	(779)	--	--	(830)	(1,096)
Attributable operating (loss) profit after tax, before material items of income and expense ("NPAT")	(18,869)	(7,036)	24,245	40,468	4,586	10,039	1,937	3,144	(19,193)	(23,009)	(7,294)	23,606
Material items of income and expense before tax	(137,576)	(75,630)	156,711	(7,260)	(33,214)	(18,521)	(1,918)	(141)	(2,955)	(7,213)	(18,952)	(108,765)
Income tax benefit – material items	19,675	12,557	63	142	964	5,556	416	41	887	145	22,005	18,441
Material items of income and expense after tax	(117,901)	(63,073)	156,774	(7,118)	(32,250)	(12,965)	(1,502)	(100)	(2,068)	(7,068)	3,053	(90,324)
Material items – Non-controlling interest	4,225	--	--	--	--	--	235	--	--	--	4,460	--
Material items – Profit (loss) after tax & non-controlling interest	(113,676)	(63,073)	156,774	(7,118)	(32,250)	(12,965)	(1,267)	(100)	(2,068)	(7,068)	7,513	(90,324)
Total (loss) profit before tax from continuing operations	(162,022)	(84,416)	192,888	48,027	(26,463)	(4,705)	2,164	5,834	(34,704)	(40,713)	(28,137)	(75,973)
Total income tax benefit (expense) from continuing operations	25,240	14,624	(11,869)	(14,677)	(1,201)	1,779	(887)	(2,011)	13,443	10,636	24,726	10,351
Total non-controlling interest	4,237	(317)	--	--	--	--	(607)	(779)	--	--	3,630	(1,096)
Total attributable profit (loss) after tax from continuing operations per the statement of comprehensive income	(132,545)	(70,109)	181,019	33,350	(27,664)	(2,926)	670	3,044	(21,261)	(30,077)	219	(66,718)
Discontinued Operations:												
Attributable profit after tax from discontinued operations											--	--
Net profit (loss) attributable to the members of Village Roadshow Limited											219	(66,718)

VILLAGE ROADSHOW LIMITED
RECONCILIATION OF RESULTS FOR THE YEAR ENDED 30 JUNE 2018
(Continued)

	Theme Parks		Cinema Exhibition		Film Distribution		Marketing Solutions		Other		2018 2017 \$'000	Total 2017 \$'000
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000		
(ii) Material items of income and expense from continuing operations:												
Gain on disposal / dividend received - asset held for sale	--	--	154,006	5,038	--	--	--	--	--	--	154,006	5,038
Gain on disposal of business / reversal of onerous lease provision	--	--	2,916	7,500	--	--	--	--	--	--	2,916	7,500
Impairment and other non-cash adjustments	(133,456)	(71,000)	--	(128)	(32,526)	(17,683)	(1,453)	--	--	--	(167,435)	(88,811)
Restructuring costs	(4,120)	(4,630)	(211)	(474)	(688)	(838)	(465)	(141)	(2,955)	(585)	(8,439)	(6,668)
Equity-accounted losses on net investments	--	--	--	(19,196)	--	--	--	--	--	(6,628)	--	(25,824)
Total (loss) profit from material items of income and expense before tax	(137,576)	(75,630)	156,711	(7,260)	(33,214)	(18,521)	(1,918)	(141)	(2,955)	(7,213)	(18,952)	(108,765)
Income tax benefit	19,675	12,557	63	142	964	5,556	416	41	887	145	22,005	18,441
Total non-controlling interest – material items	4,225	--	--	--	--	--	235	--	--	--	4,460	--
Total attributable profit (loss) from material items of income and expense after tax	(113,676)	(63,073)	156,774	(7,118)	(32,250)	(12,965)	(1,267)	(100)	(2,068)	(7,068)	7,513	(90,324)
(iii) Earnings / (Loss) Per Share:												
Basic EPS											0.14c	(41.3c)
Diluted EPS											0.14c	(41.3c)
(iv) (Loss) / Earnings Per Share adjusted to eliminate discontinued operations and material items of income and expense from the calculations:												
Basic EPS											(4.5c)	14.6c
Diluted EPS											(4.5c)	14.6c

Notes:

1. The Village Roadshow Limited group ("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 reviewed (as applicable) financial statements. It is noted that the audit of the financial statements for the year ended 30 June 2018 is still in the process of being completed.

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Consolidated Statement of Comprehensive Income		2018 \$A'000	2017 \$A'000
Continuing operations			
1.1	Income <i>(refer item 1.21) (refer note 1 below)</i>	1,146,536	1,039,355
1.2	Expenses excluding finance costs <i>(refer item 1.22) (refer note 2 below)</i>	(1,144,092)	(1,070,116)
1.3	Finance costs <i>(refer item 1.23) (refer note 3 below)</i>	(31,485)	(31,715)
1.4	Share of net profit (loss) of associates <i>(refer items 16.3 and 17.1) (refer note 4 below)</i>	904	(13,497)
1.5	Loss from continuing operations before income tax expense	(28,137)	(75,973)
1.6	Income tax benefit	24,726	10,351
1.7	Loss after tax from continuing operations	(3,411)	(65,622)
Discontinued operations			
1.8	Profit after tax from discontinued operations <i>(refer item 12.1)</i>	--	--
1.9	Net loss for the period	(3,411)	(65,622)
Loss for the period is attributable to:			
1.10	Non-controlling interest	(3,630)	1,096
1.11	Owners of the parent	219	(66,718)
		(3,411)	(65,622)
Other comprehensive (expense) income			
1.12	Available-for-sale investments	364	--
1.13	Cash flow hedges	2,244	1,038
1.14	Foreign currency translation	(5,517)	151
1.15	Other comprehensive (expense) income for the period after tax	(2,909)	1,189
1.16	Total comprehensive expense for the period	(6,320)	(64,433)
Total comprehensive expense for the period is attributable to:			
1.17	Non-controlling interest	(3,630)	1,096
1.18	Owners of the parent	(2,690)	(65,529)
		(6,320)	(64,433)

Note 1. Income includes material items of income & expense totalling a profit of \$156.9 million (2017: \$5.0 million) – refer attached Reconciliation of Results.

Note 2. Expenses excluding finance costs include material items of income & expense totalling a loss of \$175.0 million (2017: loss of \$88.0 million) - refer attached Reconciliation of Results.

Note 3. Finance costs include material items of income & expense totalling a loss of \$0.9 million (2017: Nil) – refer attached Reconciliation of Results.

Note 4. Share of net loss of associates in 2017 include material items of income and expense totalling a loss of \$25.8 million – refer attached Reconciliation of Results.

Earnings (loss) per share (EPS)		2018	2017
1.19	Basic EPS	0.14c	(41.3c)
1.20	Diluted EPS	0.14c	(41.3c)

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

	2018 \$A'000	2017 \$A'000
1.21 Income from continuing operations		
Revenues from continuing operations:		
Sale of goods	306,408	337,183
Rendering of services	645,028	659,275
Finance revenue:		
Other entities	1,197	1,651
Associated entities	129	--
Dividends received:		
Dividend from asset held for sale (refer material items of income and expense in attached Reconciliation of Results)	--	5,038
Other dividends	--	11
Total revenues from continuing operations	952,762	1,003,158
Other income from continuing operations:		
Management fee income from:		
Other entities	8,388	7,976
Associated entities	396	709
Net gain on disposal of investments & business (for 2018 refer material items of income and expense in attached Reconciliation of Results)	156,922	635
Unearned revenue written back	8,328	8,505
Commissions/fees received	6,887	5,929
Other	12,853	12,443
Total other income from continuing operations	193,774	36,197
Total income from continuing operations	1,146,536	1,039,355

Notes to the Consolidated Statement of Comprehensive Income (continued)

	2018 \$A'000	2017 \$A'000
1.22 Expenses excluding finance costs, from continuing operations		
Employee expenses:		
Employee benefits	18,330	17,573
Defined contribution superannuation expense	18,073	17,504
Share-based payment (credit) expense	(1)	414
Remuneration and other employee expenses	216,184	210,171
Total employee expenses	252,586	245,662
Cost of goods sold	126,408	120,669
Occupancy expenses:		
Operating lease rental – minimum lease payments	52,880	48,256
Operating lease rental – contingent rental payments	3,897	4,386
Other occupancy expenses	26,070	22,772
Total occupancy expenses	82,847	75,414
Film hire and other film expenses	223,651	246,998
Depreciation of:		
Buildings & improvements	4,208	4,089
Plant, equipment & vehicles	38,661	39,815
Amortisation of:		
Leasehold improvements	11,500	12,575
Finance lease assets	--	23
Software & other intangibles	16,370	16,928
Total depreciation and amortisation	70,739	73,430
Net loss on disposal of property, plant & equipment	255	38
Net foreign currency losses (gains)	532	(115)
Impairment and other non-cash adjustments (refer material items of income and expense in attached Reconciliation of Results)	167,435	88,811
Management and service fees paid	3,828	3,713
Advertising and promotions	98,395	116,399
Theme park operating expenses	33,220	30,346
Repairs and maintenance	19,891	14,747
Restructuring costs (refer material items of income and expense in attached Reconciliation of Results)	7,589	6,668
Other provision reversed (refer material items of income and expense in attached Reconciliation of Results)	--	(7,500)
Provision for doubtful debts (reversed)	(3)	408
Bad debts written off (recovered)	169	(75)
Other expenses	56,550	54,503
Total expenses from continuing operations excluding finance costs	1,144,092	1,070,116

1.23 Finance Costs – Continuing Operations

	2018 \$A'000	2017 \$A'000
Total finance costs before finance restructuring costs	30,635	31,715
Finance restructuring costs (refer material items of income and expense in attached Reconciliation of Results)	850	--
Total finance costs	31,485	31,715

Notes to the Consolidated Statement of Comprehensive Income (continued)

Net gain (loss) on sale – Continuing Operations		2018 \$A'000	2017 \$A'000
1.24	Net gain (loss) on sale of:		
	Property, plant & equipment	(255)	(38)
	Investments and business	156,922	635

1.25 Calculation of income tax on continuing and discontinued operations		2018 \$A'000	2017 \$A'000
	Prima-facie income tax benefit from continuing operations	8,441	22,792
	Adjustments in respect of current income tax of previous years	--	(679)
	Non-assessable income / expense reversals	47,077	3,761
	Non-deductible expenses	(325)	(434)
	After-tax equity-accounted profits (losses) included in pre-tax loss	271	(4,259)
	Net deferred tax balances recognised / de-recognised (refer income tax benefit – material items, in attached Reconciliation of Results)	18,439	2,132
	Deferred tax balances not recognised	(49,037)	(12,302)
	Other	(140)	(660)
	Total income tax benefit – continuing operations (item 1.6)	24,726	10,351
	Income tax expense attributable to discontinued operations	--	--
	Total income tax benefit	24,726	10,351

1.26 Consolidated retained earnings		2018 \$A'000	2017 \$A'000
	Retained earnings at the beginning of the period	70,290	159,564
	Net profit (loss) attributable to members (item 1.11)	219	(66,718)
	Dividends and distributions paid or payable	--	(22,556)
	Retained earnings at end of financial period	70,509	70,290

Intangible items		<i>Consolidated – Current period – A\$'000</i>			
		Before tax (a)	Related tax (b)	Related non-controlling interests (c)	Amount (after tax) attributable to members (d)
2.1	Amortisation of software and other intangibles	(16,370)	4,911	6	(11,453)

Comparison of half year profits (losses)		2018 \$A'000	2017 \$A'000
3.1	Consolidated profits (losses) from continuing and discontinued operations after tax attributable to members reported for the 1st half year (item 2.3 in the half yearly report)	171,891	(6,706)
3.2	Consolidated losses from continuing and discontinued operations after tax attributable to members for the 2nd half year	(171,672)	(60,012)

Consolidated Statement of Financial Position

		2018 \$A'000	2017 \$A'000
Current assets			
4.1	Cash and cash equivalents	63,393	100,400
4.2	Trade and other receivables	119,300	128,300
4.3	Film distribution royalties	47,704	57,310
4.4	Inventories	23,578	21,292
4.5	Current tax assets	2,373	12,326
4.6	Derivatives	1,153	94
4.7	Assets held for sale	40,610	11,839
4.8	Other	10,183	9,163
4.9	Total current assets	308,294	340,724
Non-current assets			
4.10	Trade and other receivables	23,925	18,300
4.11	Investments – equity-accounted	31,742	30,037
4.12	Available-for-sale investments	1,737	407
4.13	Property, plant & equipment	639,943	615,813
4.14	Film distribution royalties	63,517	69,895
4.15	Intangibles – goodwill (net)	183,174	306,073
4.16	Intangibles – other (net)	70,501	75,797
4.17	Deferred tax assets	11,417	774
4.18	Derivatives	63	--
4.19	Other	294	3,524
4.20	Total non-current assets	1,026,313	1,120,620
4.21	Total assets	1,334,607	1,461,344
Current liabilities			
4.22	Trade and other payables	202,777	262,956
4.23	Interest bearing loans and borrowings	6,866	1,072
4.24	Derivatives	16	3,026
4.25	Income tax payable	6,880	39
4.26	Provisions (excluding tax liabilities)	34,749	31,870
4.27	Unearned revenue	50,128	59,528
4.28	Liabilities held for sale	1,829	--
4.29	Total current liabilities	303,245	358,491
Non-current liabilities			
4.30	Trade and other payables	42,736	31,347
4.31	Interest bearing loans and borrowings	395,024	626,418
4.32	Lease liability (refer note 1 below)	102,962	--
4.33	Deferred tax liabilities	4,751	22,692
4.34	Derivatives	--	27
4.35	Provisions (excluding tax liabilities)	10,592	8,950
4.36	Unearned revenue	80,246	12,674
4.37	Other	1,240	613
4.38	Total non-current liabilities	637,551	702,721
4.39	Total liabilities	940,796	1,061,212
4.40	Net assets	393,811	400,132
Equity			
Parent entity interest:			
4.41	Contributed equity	225,548	225,176
4.42	Reserves	86,774	89,852
4.43	Retained earnings	70,509	70,290
4.44	Parent interests	382,831	385,318
4.45	Non-controlling interests	10,980	14,814
4.46	Total equity	393,811	400,132

Note 1. Refer Note 12 in the 31 December 2017 Half-Year Financial Report for additional disclosures in relation to Finance Lease resulting from sale and long-term leaseback of the VRL group's freehold land on the Gold Coast, Queensland.

5. Exploration and evaluation expenditure capitalised – N/A

6. Development properties - N/A

Consolidated Statement of Cash Flows ¹		2018 \$A'000	2017 \$A'000
Cash flows from operating activities			
7.1	Receipts from customers	1,068,498	1,138,760
7.2	Payments to suppliers and employees	(1,031,131)	(995,134)
7.3	Dividends and distributions received	1,019	22,029
7.4	Interest and other items of similar nature received	1,346	2,377
7.5	Finance costs	(28,162)	(30,141)
7.6	Income taxes refunded (paid)	9,796	(7,333)
7.7	Net cash flows from operating activities	21,366	130,558
Cash flows from investing activities			
7.8	Purchases of property, plant & equipment	(69,970)	(66,451)
7.9	Purchases of software & other intangibles	(14,926)	(13,086)
7.10	Proceeds from sale of property, plant & equipment	733	9,051
7.11	Proceeds from sale and leaseback of property	99,991	--
7.12	Purchases of investments / businesses	(2,053)	(7,483)
7.13	Proceeds from sale of investments / businesses	163,813	373
7.14	Loans to (or repaid to) other entities	(10,224)	(25,824)
7.15	Loans from (or repaid by) other entities	1,704	4,240
7.16	Net cash flows from (used in) investing activities	169,068	(99,180)
Cash flows from financing activities			
7.17	Proceeds from borrowings	39,000	50,000
7.18	Repayment of borrowings	(266,875)	(22,406)
7.19	Dividends and distributions paid	--	(22,556)
7.20	Net cash flows (used in) from financing activities	(227,875)	5,038
7.21	Net (decrease) increase in cash held	(37,441)	36,416
7.22	Cash at beginning of period <i>(see reconciliation of cash)</i>	100,400	64,338
7.23	Exchange rate adjustments to item 7.22	434	(354)
7.24	Cash at end of period <i>(see reconciliation of cash)</i>	63,393	100,400

Notes to the Consolidated Statement of Cash Flows:

- 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.

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

Reconciliation of net loss to net operating cash flows

	2018 \$A'000	2017 \$A'000
Net loss	(3,411)	(65,622)
Adjust for:		
Depreciation	42,869	43,904
Amortisation	27,870	29,526
Impairment and other non-cash adjustments (refer item 1.22 and material items of income and expense in attached Reconciliation of Results)	167,435	88,811
Provisions	1,725	(8,391)
Share-based payment (credit) expense	(1)	414
Net gains on disposal of assets (refer item 1.24 and for 2018 material items of income and expense in attached Reconciliation of Results)	(156,667)	(597)
Unrealised foreign currency loss (gain)	396	(181)
Difference between equity-accounted results and cash dividends/interest received	115	31,176
Difference between interest expense and interest paid on finance lease liability	1,462	--
Changes in assets and liabilities:		
Trade and other receivables	13,320	23,483
Trade and other payables	(59,175)	(1,099)
Net current tax	(20,769)	(11,379)
Unearned income	(14,008)	(1,380)
Other payables and provisions	3,110	155
Inventories	(3,203)	3,637
Capitalised borrowing costs	2,082	1,357
Deferred and other income tax liabilities	6,299	(5,877)
Prepayments and other assets	(1,540)	2,923
Film distribution royalties	13,457	(302)
Net operating cash flows	21,366	130,558

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.

	2018 \$A'000	2017 \$A'000
8.1 Cash on hand and at bank	62,943	85,907
8.2 Deposits at call	450	14,493
8.3 Bank overdraft	--	--
8.4 Total cash at end of period – continuing operations	63,393	100,400
8.5 Cash on hand and at bank attributable to discontinued operations	--	--
8.6 Total cash and cash equivalents at end of period	63,393	100,400

Cash on hand and at bank includes \$2.9 million (2017: \$5.5 million) of cash held on behalf of customers which is restricted and held in separate bank accounts and used for payment of promotional rebates. This balance cannot be called upon should the Group become insolvent.

Acquisition/disposal of controlled entities – N/A

Undrawn credit facilities

The VRL group has undrawn credit facilities at balance date of \$31.0 million (2017: \$30.0 million), and at the date of this report of \$31.0 million.

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

Other notes to the financial statements

Ratios	Current period	Previous corresponding period
9.1 Loss before tax / revenue Consolidated loss from continuing operations before income tax expense (<i>item 1.5</i>) as a percentage of income (<i>item 1.1</i>)	(2%)	(7%)
9.2 Profit (loss) after tax / ⁺equity interests Consolidated profit (loss) attributable to members of Village Roadshow Limited (<i>item 1.11</i>) as a percentage of parent entity equity at the end of the period (<i>item 4.44</i>)	0%	(17%)

Earnings (loss) 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 <i>Earnings Per Share</i> are as follows. Basic EPS ^{1,2} Diluted EPS ^{1,2}	0.14c 0.14c	(41.3c) (41.3c)
Basic and diluted EPS from continuing operations are as follows: Basic EPS ^{1,2} Diluted EPS ^{1,2}	0.14c 0.14c	(41.3c) (41.3c)
Weighted Average Number of shares outstanding during the period: Ordinary Shares – Basic EPS Ordinary Shares – Diluted EPS	161,855,150 161,855,150	161,607,443 162,107,143

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.

Net Tangible Asset backing	Current period A\$	Previous corresponding period A\$
11.1 Net tangible asset backing per ⁺ ordinary security	0.80	0.02

Discontinued Operations

12.1 There were no discontinued operations in the year ended 30 June 2018 or 30 June 2017.

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	N/A
15.2	+Record date to determine entitlements to the dividend (i.e., 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)	N/A
15.3	Has the dividend been declared?	N/A

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	--	--	--
15.5	Previous year – Ords	--	--	--
	Interim dividend:			
15.6	Current year – Ords	--	--	--
15.7	Previous year – Ords	--	--	--

Total Dividend & Distribution per security

		Current year	Previous year
15.8	+Ordinary securities (declared in relation to the relevant year)	--	--

Dividends & Distributions paid/payable on all securities

		Current period \$A'000	Previous corresponding Period \$A'000
15.9	+Ordinary securities (each class separately)	--	22,556
15.10	Total (declared during the relevant year)	--	22,556

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 net profit (loss) of associates

	Group's share of associates':	Current period \$A'000	Previous corresponding period \$A'000
16.1	Profit (loss) from continuing operations before income tax	904	(11,561)
16.2	Income tax expense on continuing operations	--	(1,936)
16.3	Share of net profit (loss) of associates	904	(13,497)

Equity-accounted associates

Details relating to equity-accounted associates are set out below.

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)	
	Current period	Previous corresponding period	Current Period A\$'000	Previous corresponding period A\$'000
17.1 Equity-accounted associates				
Associates:				
Dartina Development Ltd. ¹	--	50.00%	--	8,385
Entertainment Group Holdings Ltd. ²	--	50.17%	--	(5,929)
Village Roadshow Entertainment Group (BVI) Ltd. ³	20.00%	20.00%	--	--
iPic Entertainment Inc. (group) ⁴	25.07%	--	--	--
iPic-Gold Class Entertainment LLC ⁴	--	28.01%	--	(19,196)
VR iPic Finance LLC ⁴	--	42.86%	--	--
FilmNation Entertainment LLC	31.03%	31.03%	1,118	3,217
Other ⁵	N/A	N/A	(214)	26
Total			904	(13,497)

Notes:

- As advised to the Australian Securities Exchange on 13 June 2017 (and updated on 11 August 2017), the VRL group had signed an agreement to sell its 50% stake in the Singapore Cinema Exhibition business, Golden Village. As a result, effective from 1 June 2017, the investment in the holding company, Dartina Development Ltd. ("Dartina"), had been classified as Held for Sale, and equity accounting ceased from that date.

As advised to the Australian Securities Exchange in October 2017, the VRL group signed an agreement to sell its 50% stage in Golden Village to Orange Sky Golden Harvest Entertainment (Holdings) Limited, the owner of the other 50% of Golden Village. The sale was completed on 26 October 2017. The gain on disposal of this Asset Held for Sale was \$154.0 million after tax (included in the current period's material items of income and expense in the Reconciliation of Results).

- During the year ended 30 June 2018, the VRL group disposed of its 50.17% shareholding in the dormant former parent entity in the Village Roadshow Entertainment Group business, Entertainment Group Holdings Ltd., for no consideration.
- Village Roadshow Entertainment Group (BVI) Ltd. ("VREG") is classified as an associate for accounting purposes, and it is noted that all VREG debt is non-recourse to the VRL group. The VRL group results only include interest or dividends received in cash from VREG, and in the year ended 30 June 2018, no cash interest was included in equity-accounted results (2017: A\$0.7 million), and no cash dividends were received in either the current or previous corresponding periods.
- As advised to the Australian Securities Exchange on 2 February 2018, the new holding company of iPic Gold Class Entertainment LLC, iPic Entertainment Inc., was listed on NASDAQ and funding of USD 15 million was raised from that listing.

Following that restructuring, the VRL group's shareholding in the iPic Entertainment Inc. group has reduced to 25.07%. In addition, the VRL group's previous 42.86% shareholding in VR iPic Finance LLC has reduced to nil, and VRL's guarantee exposure in relation to the iPic business has reduced from USD 24.2 million to USD 5.6 million. There is no other recourse to the VRL group.

- In relation to 'other' associates 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	161,859,555	161,859,555		
18.4 Changes during current period				
(a) Increases through issues	89,382	89,382		
(b) Decreases through returns of capital, buybacks	(60,000)	(60,000)		
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)			Exercise Price	Expiry Date (if any)
Details of options over Ordinary shares issued in November 2012, with an effective grant date of 29 November 2012 were as follows:				
Options over Ordinary shares	750,000	--	\$3.41	1/3/2019
Options over Ordinary shares	750,000	--	\$3.41	1/3/2019
Total Options over Ordinary shares	1,500,000	--		
18.8 Changes during current period				
(a) Issued during current period	--	--		
(b) Exercised during current period	--	--		
(c) Lapsed during current period	750,000	--	--	1/3/2019
18.9 Debentures (description)				
18.10 Changes during current period	N/A	N/A		
18.11 Unsecured notes (description)				
18.12 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 18.4, and excluded from the Options disclosed in items 18.7 and 18.8.

19.1 Segment Reporting¹

	Theme Parks		Cinema Exhibition		Film Distribution		Marketing Solutions		Other ²		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Reporting by Operating Segments – Continuing Operations:												
Segment revenue – services	191,638	187,486	206,930	218,593	190,184	218,207	72,726	54,656	--	--	661,478	678,942
Segment revenue – goods	105,262	108,226	86,835	87,768	114,311	141,092	--	--	--	--	306,408	337,086
Total segment revenue	296,900	295,712	293,765	306,361	304,495	359,299	72,726	54,656	--	--	967,886	1,016,028
Plus: Non-segment revenue	--	--	--	--	--	--	--	--	1,534	2,244	1,534	2,244
Less: Inter-segment revenue	--	(20)	--	--	(15,673)	(19,369)	(985)	(763)	--	--	(16,658)	(20,152)
Total Revenue											952,762	998,120
Segment results before tax	(24,446)	(8,786)	36,177	55,287	6,751	13,816	4,082	5,975	--	--	22,564	66,292
Non-segment result (Corporate) before tax	--	--	--	--	--	--	--	--	(31,749)	(33,500)	(31,749)	(33,500)
Operating (loss) profit before tax – segment purposes	(24,446)	(8,786)	36,177	55,287	6,751	13,816	4,082	5,975	(31,749)	(33,500)	(9,185)	32,792
Gain on disposal / dividend received – asset held for sale	--	--	154,006	5,038	--	--	--	--	--	--	154,006	5,038
Gain on disposal of business / reversal of onerous lease provision	--	--	2,916	7,500	--	--	--	--	--	--	2,916	7,500
Impairment and other non-cash adjustments	(133,456)	(71,000)	--	(128)	(32,526)	(17,683)	(1,453)	--	--	--	(167,435)	(88,811)
Restructuring costs	(4,120)	(4,630)	(211)	(474)	(688)	(838)	(465)	(141)	(2,955)	(585)	(8,439)	(6,668)
Equity-accounted losses on net investments	--	--	--	(19,196)	--	--	--	--	--	(6,628)	--	(25,824)
Operating loss before tax											(28,137)	(75,973)
Income tax benefit											24,726	10,351
Non-controlling interest	4,237	(317)	--	--	--	--	(607)	(779)	--	--	3,630	(1,096)
Total attributable profit (loss) after tax from continuing operations per the statement of comprehensive income											219	(66,718)
Interest income	188	72	149	161	573	564	50	1	366	853	1,326	1,651
Finance costs before finance restructuring costs	16,298	14,070	4,659	4,696	4,440	4,399	2,461	2,487	2,777	6,063	30,635	31,715
Finance costs – finance restructuring costs (material items)											850	--
Total finance costs											31,485	31,715
Depreciation and amortisation expense	46,644	50,667	17,391	16,807	3,210	3,564	1,789	1,385	1,705	1,007	70,739	73,430
Equity-accounted net profit (loss)											904	(13,497)
Non-cash expenses other than depreciation	355	347	15	435	--	--	254	--	--	12	624	794
Capital expenditure	54,745	53,803	23,202	17,356	1,065	1,718	2,266	1,562	3,618	5,098	84,896	79,537

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
 Marketing Solutions: Sales promotion and brand loyalty program operations

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

20.1 Not used

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).

As advised to the Australian Securities Exchange on 2 July 2018, the VRL group signed an agreement on 29 June 2018 to sell its wholly owned Wet'n'Wild Water Park located in Western Sydney to Parques Reunidos. The sale is expected to generate net proceeds of approximately \$37 million and is expected to complete in the first quarter of FY2019. The sale has resulted in an impairment loss of \$24.7 million in the year ended 30 June 2018, which has been included in material items of income and expense in the attached Reconciliation of Results. The assets and liabilities relating to the Wet'n'Wild Water Park in Sydney have been classified as Held for Sale at 30 June 2018.

As advised to the Australian Securities Exchange on 10 July 2018 (and updated a number of times in July and August 2018), the VRL group has completed a 5 for 26 pro-rata accelerated non-renounceable entitlement offer. The offer has raised net proceeds of approximately \$50 million, and the net proceeds have been used to reduce the VRL group's borrowings.

Effective from 13 August 2018, the ownership percentage of the Topgolf Joint Venture ("Topgolf JV") by the VRL group's joint venture partner, Topgolf Australia Pty. Ltd. ("Topgolf Australia") has reduced from 33.33% at 30 June 2018 down to 3.7%. As a result, the VRL group's ownership percentage in the Topgolf JV has increased from 66.67% at year end to 96.3%. The amount receivable by the VRL group in relation to the Topgolf JV, which was approximately \$10.9 million as at 30 June 2018, is still recoverable mainly through an increased share of property, plant & equipment. It is noted that Topgolf Australia has an option to increase its ownership in the Topgolf JV back to 33.33% prior to 31 December 2020, based on market value at the relevant time.

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 attached commentary.

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

There were no franking credits available as at 30 June 2018. Future dividend payments will need to be assessed in conjunction with the franking account balance at the relevant time.

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 2017 financial report as updated in the 31 December 2017 half-year financial report, but the key matters are noted as follows:

(i) Tax Audit by Australian Taxation Office:

As disclosed in Note 22(a)(iii) in the 30 June 2017 financial report, as updated in the 31 December 2017 half-year financial report, following a Client Risk Review, the Australian Taxation Office (“ATO”) advised in July 2016 that a Tax Audit was to be carried out in relation to the VRL Tax Consolidated group, covering the financial years from 2012 to 2015.

VRL has provided information requested by the ATO during the year to 30 June 2018. In July 2018, the ATO issued a further request for information. VRL does not currently believe that any material impact will result from the Tax Audit.

(ii) Guarantee issued in relation to Associate:

As disclosed in Note 22(a)(v) in the 30 June 2017 financial report, as updated in the 31 December 2017 half-year financial report, VRL had procured a bank guarantee to support the financing of an associated entity, VR iPic Finance LLC (“VRIF”), in which the VRL group previously had a 42.86% (3/7th) interest. VRIF had obtained debt financing to contribute funds to iPic-Gold Class Entertainment LLC (“IGCE”), which is also an associated entity of VRL (now held indirectly through iPic Entertainment Inc.). Following a restructuring of IGCE and VRIF in February 2018, VRL’s guarantee exposure in relation to the iPic business has reduced from USD 24.2 million to USD 5.6 million.

(b) Contingent Assets

Contingent assets are not materially different from those disclosed in the 30 June 2017 financial report.

21.7 All financial results for the years ended 30 June 2018 and 30 June 2017 are in accordance with the requirements of International Financial Reporting Standards (IFRS).

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.
- 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

N/A

Annual meeting

The annual meeting will be held as follows:

Place

Jam Factory Cinemas, 500 Chapel Street, South Yarra, VIC, 3141

Date

23 November 2018

Time

9:00 am

Approximate date the + annual report will be available

22 October 2018

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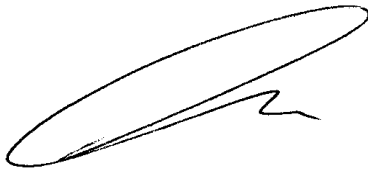
- 2 This report, and the +accounts upon which the report is based (if separate), use the same accounting policies.

- 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)

- | | | | |
|-------------------------------------|---|--------------------------|--|
| <input type="checkbox"/> | The +accounts have been audited. | <input type="checkbox"/> | The +accounts have been subject to review. |
| <input checked="" type="checkbox"/> | The +accounts are in the process of being audited or subject to review. | <input type="checkbox"/> | The +accounts have not yet been audited or reviewed. |

- 5 The entity has a formally constituted audit committee.



Sign here: _____
(Company secretary)

Date: 23 August 2018

Print name: SHAUN DRISCOLL