



VILLAGE ROADSHOW LIMITED

**RESULTS COMMENTARY
FOR THE YEAR ENDED**

30 JUNE 2010



VRL GROUP HIGHLIGHTS - OPERATIONS

- **Australian Cinema Exhibition delivered outstanding results**
- **Record attendance at the Gold Coast Theme Parks**
- **Sale of Greece and Czech Republic businesses**
- **Austereo maintained its leading position in radio surveys throughout 2010**
- **Film Distribution maintained market leader position**
- **Film Production successfully closed new financing**



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VRL GROUP CAPITAL INITIATIVE

- **Successful completion of buyback in late 2009**
- **Announcement of proposal to vary Preference share rights**
- **On market buy back proposed**
- **One class of share**
- **Shareholders can elect to remain or sell for cash**
- **Align all shareholders, more flexible dividend policy**



VRL GROUP CAPITAL

CAPITAL ANALYSIS

	30 June 2010	30 June 2009
ORDINARY SHARES (#'m)	114.2	126.9
PREFERENCE SHARES (#'m)	52.2	97.7
TOTAL EARNINGS PER SHARE (cents) (note 1)	34.80	24.91
NET OPERATING PROFIT (\$'m) (note 2)	\$65.9	\$56.0
EQUITY (Excl Non-Controlling Interest) (\$'m)	\$557.8	\$589.0

Note 1: Excludes discontinued operations and material items, based upon weighted average of ordinary and preference shares, prior periods have been restated.

Note 2: Excludes discontinued operations and material items, prior periods have been restated.

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VRL GROUP DEBT

	Facility Expiry	Total Debt Drawn (\$m) Jun 2010	Total Debt Drawn (\$m) Jun 2009 ¹
On Balance Sheet			
THEME PARKS:GOLD COAST	2 nd half 2011	\$278.8	\$303.8
THEME PARKS:US WATER PARKS (note 2)	1 st half 2029/ 1 st half 2015	\$48.8	\$18.4
ATTRACTIONS:SYDNEY ATTRACTONS GROUP	2 nd half 2012	\$58.0	\$60.3
FILM DISTRIBUTION	1 st half 2013	\$123.3	\$109.7
CINEMA EXHIBITION:AUSTRALIA	2 nd half 2012	\$88.4	\$45.0
RADIO:AUSTEREO	2 nd half 2012	\$209.1	\$220.1
CORPORATE	2 nd half 2012	\$122.5	\$200.4
TOTAL ON BALANCE SHEET DEBT		\$928.9	\$957.7
Less: Cash on Hand		\$(101.7)	\$(68.4)
Net Debt on balance sheet		\$827.2	\$889.3
Off Balance Sheet Net Debt			
Film Production and Music (reflects 41% ownership)		\$468.7	\$464.6
Cinema Exhibition (Gold Class USA & Singapore) (ownership %)		\$11.7	\$7.1
TOTAL NET DEBT		\$1,307.6	\$1,361.0 05

Note 1: Prior period has been restated for discontinued operations

Note 2: Includes both long term lease finance debt and short term bank debt

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VRL GROUP DEBT

DEBT AND INTEREST COVER BY DIVISION (June 2010)

	Debt/ EBITDA (times)	EBITDA/ Interest (times)
THEME PARKS:GOLD COAST	3.0	5.2
ATTRACTIONS: SYDNEY ATTRACTIONS GROUP	3.2	3.4
FILM DISTRIBUTION	2.5	8.1
CINEMA EXHIBITION:AUSTRALIA	1.8	9.8
RADIO:AUSTEREO	2.3	6.7
TOTAL VRL GROUP	3.6	4.1
TOTAL VRL GROUP (excluding finance leases)	3.5	4.3



VRL GROUP DEBT

ON BALANCE SHEET DEBT - CURRENT

June 2010
\$'m

THEME PARKS	\$32.7
ATTRACTIONS	\$5.0
FILM DISTRIBUTION	\$14.4
CINEMA EXHIBITION	\$14.3
CORPORATE/OTHER	\$0.1
Total Current Debt on Balance sheet	\$66.5

ON BALANCE SHEET DEBT – NON CURRENT

June 2010
\$'m

THEME PARKS	\$294.9
ATTRACTIONS	\$53.0
FILM DISTRIBUTION	\$108.9
CINEMA EXHIBITION	\$74.1
RADIO:AUSTereo	\$209.1
CORPORATE/OTHER	\$122.4
Total Non - Current Debt on Balance sheet	\$862.4

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VRL GROUP RESULTS

	Operating Result Excl Material Items		Reported EBITDA Excl Material Items	
	FY2010 \$'m	FY2009 \$'m	FY2010 \$'m	FY2009 \$'m
THEME PARKS:GOLD COAST	44.3	35.6	90.7	82.4
THEME PARKS:US WATER PARKS	(1.4)	(3.1)	5.3	(1.1)
ATTRACTIONS	8.5	10.3	19.8	19.9
FILM DISTRIBUTION	36.6	37.0	50.0	55.2
CINEMA EXHIBITION:AUST/SING	40.7	29.1	56.5	43.4
CINEMA EXH'N:GOLD CLASS USA	(9.9)	(7.4)	(9.9)	(7.4)
RADIO:AUSTereo	67.2	65.3	88.5	87.4
CORPORATE/OTHER	(60.9)	(55.9)	(46.4)	(44.6)
REPORTED RESULTS	\$125.1	\$110.9	\$254.5	\$235.2

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VRL GROUP operational cashflow for the year ended 30 June 2010

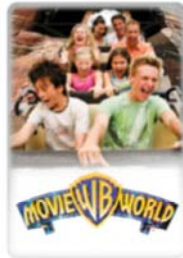
	EBITDA \$'m	Movement in Working Capital \$'m	Interest/ Tax \$'m	Operating Cashflow \$'m	Capital Expenditure \$'m	Free Cashflow \$'m
THEME PARKS	\$90.7	\$2.9	\$(19.3)	\$74.3	\$(20.6)	\$53.7
THEME PARKS:US WATER PARKS	\$5.3	\$(1.4)	\$(0.9)	\$3.0	\$(6.5)	\$(3.5)
ATTRACTIONS	\$19.8	\$0.3	\$(5.3)	\$14.8	\$(7.9)	\$6.9
FILM DISTRIBUTION	\$50.0	\$36.6	\$(6.2)	\$80.4	\$(2.8)	\$77.6
CINEMA EXHIBITION	\$46.6	\$6.4	\$(5.2)	\$47.8	\$(8.6)	\$39.2
RADIO:AUSTereo	\$88.5	\$(2.1)	\$(32.3)	\$54.1	\$(13.2)	\$40.9
CORPORATE/OTHER	\$(46.4)	\$(13.2)	\$(8.8)	\$(68.4)	\$(2.0)	\$(70.4)
TOTAL	\$254.5	\$29.5	\$(78.0)	\$206.0	\$(61.6)	\$144.4

**RESULTS
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THEME PARKS AND ATTRACTIONS



FILM DISTRIBUTION



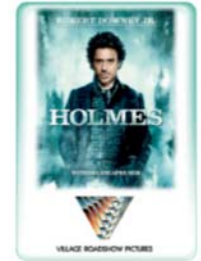
CINEMA EXHIBITION



RADIO



FILM PRODUCTION AND MUSIC



RESULTS COMMENTARY FOR THE YEAR ENDED

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THEME PARKS Gold Coast

RESULTS ANALYSIS

For the year ended 30 June

FY2010
(m)

FY2009
(m)

TOTAL ATTENDANCE

4.5

4.1

SALES REVENUE

\$279.3

\$274.2

OTHER REVENUE

\$1.1

\$0.4

TOTAL EXPENSES

\$189.7

\$192.2

EBITDA

\$90.7

\$82.4

DEPRECIATION AND
AMORTISATION

\$28.8

\$25.5

INTEREST (NET)

\$17.6

\$21.3

NET PROFIT BEFORE TAX

\$44.3

\$35.6

TOTAL CAPEX

\$20.6

\$33.7

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THEME PARKS Gold Coast

- **Record attendance of 4.5 million up 10% on prior year**
- **Annual pass and season pass sales of 440,000, up 88% on prior year**
- **Increase in international visitation in the last quarter**
- **New attractions in the FY2011 year include 'Aqua Loop', 'Castaway Bay' and 'Penguin Encounter'**



THEME PARKS US Water Parks

RESULTS ANALYSIS

For the year ended 30 June

FY2010
(m)

FY2009
(m)

TOTAL ATTENDANCE

0.5

0.3

SALES REVENUE

\$24.0

\$14.5

OTHER REVENUE

\$0.4

\$0.0

TOTAL EXPENSES

\$19.1

\$15.6

EBITDA

\$5.3

\$(1.1)

DEPRECIATION AND
AMORTISATION

\$4.2

\$1.7

INTEREST (NET)

\$2.5

\$0.3

NET PROFIT BEFORE TAX

\$(1.4)

\$(3.1)

TOTAL CAPEX

\$6.5

\$35.3

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THEME PARKS US Water Parks

- **First full financial year of operation of Phoenix Wet'n'Wild**
- **Strong demand for season passes, converting to solid attendance demand**
- **Strong demand in core market helped offset decline in tourism at Hawaii Wet'n'Wild**
- **Decline in tourism is now beginning to affect core market impacting future returns at Hawaii Wet'n'Wild**

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SYDNEY ATTRACTIONS

RESULTS ANALYSIS

For the year ended 30 June

FY2010
(m)

FY2009
(m)

TOTAL ATTENDANCE

2.5

2.7

SALES REVENUE

\$57.9

\$57.6

OTHER REVENUE

\$2.6

\$2.1

TOTAL EXPENSES

\$40.7

\$39.8

EBITDA

\$19.8

\$19.9

DEPRECIATION AND
AMORTISATION

\$6.0

\$5.5

INTEREST (NET)

\$5.3

\$4.1

NET PROFIT BEFORE TAX

\$8.5

\$10.3

TOTAL CAPEX

\$7.9

\$5.4

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SYDNEY ATTRACTIONS

- **Consistent performance with prior year**
- **Good reaction to new Super Croc exhibit and promotional events**
- **Increases in ticket yield and in-park revenue streams**
- **In New Zealand - focus on building penguin stock for future internal expansion**

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FILM DISTRIBUTION

RESULTS ANALYSIS

For the year ended 30 June

FY2010
(m)

FY2009
(m)

SALES REVENUE

\$409.3

\$429.4

OTHER REVENUE

\$1.9

\$2.3

TOTAL EXPENSES

\$361.2

\$376.5

EBITDA

\$50.0

\$55.2

DEPRECIATION AND
AMORTISATION

\$7.2

\$12.3

INTEREST (NET)

\$6.2

\$5.9

NET PROFIT BEFORE TAX

\$36.6

\$37.0

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**RESULTS
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FILM DISTRIBUTION

- **Strong Theatrical product performance throughout the year**
- **Roadshow Entertainment impacted by general retail downturn**
- **Roadshow Television exceeded expectations with continued growth in both Free to Air and Pay per View**
- **Roadshow Live, in conjunction with the Dainty Corporation, is staging highly acclaimed *Hairspray* musical**



CINEMA EXHIBITION

RESULTS ANALYSIS

For the year ended 30 June

	FY2010 (m)	FY2009 (m)
TOTAL ADMISSIONS	18.5	17.2
SALES REVENUE	\$237.4	\$208.2
OTHER REVENUE	\$19.2	\$15.5
TOTAL EXPENSES	\$205.7	\$183.4
EBITDA (AUSTRALIA)	\$50.9	\$40.3
Share of associates profits – Singapore	\$5.6	\$3.1
Share of associates (losses) – Gold Class USA	\$(9.9)	\$(7.4)
EBITDA	\$46.6	\$36.0
DEPRECIATION AND AMORTISATION	\$10.6	\$11.7
INTEREST (NET)	\$5.2	\$2.6
NET PROFIT BEFORE TAX	\$30.8	\$21.7
TOTAL CAPEX (excludes associates)	\$8.6	\$10.7

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CINEMA EXHIBITION

- Record performance off the back of solid product including *Avatar*, *Alice In Wonderland*, *Ice Age 3* and *UP*
- Disappointing results from US Gold Class business
- Continued commitment to the deployment of digital screens, a further 70 screens to be converted in Australia in the next financial year

**RESULTS
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RADIO Austerio Group Limited

RESULTS ANALYSIS

For the year ended 30 June

FY2010
(m)

FY2009
(m)

SALES REVENUE

\$259.3

\$254.6

OTHER INCOME

\$6.0

\$5.9

TOTAL EXPENSES

\$176.8

\$173.1

EBITDA

\$88.5

\$87.4

DEPRECIATION AND
AMORTISATION

\$8.0

\$7.8

INTEREST (NET)

\$13.3

\$14.3

NET PROFIT BEFORE TAX

\$67.2

\$65.3

TOTAL CAPEX

\$13.2

\$16.6

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RADIO Austereo Group Limited

- **Today Network continues to be market leader in mainland capital city FM market**
- **Fourth radio survey of 2010, Today Network won number one FM positions in Sydney, Melbourne, Perth & Brisbane**
- **27% increase in website unique browsers**
- **Austereo results can be viewed at www.austereo.com.au**

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FILM PRODUCTION & MUSIC

- **Completion of financing facility**
- **Short term loan US\$17.5m has been returned to VRL post year end**
- **Future line up of films includes:**
 - *Legends Of The Guardians*
 - *Life As We Know It*
 - *Happy Feet 2 3D*



SUMMARY VRL GROUP

- **Strength of operating cashflows**
- **Delivered solid operating performance**
- **Good debt service coverage**
- **Listening to shareholders – capital initiative**

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