

**Registered number: 08514872**

**VUE INTERNATIONAL BIDCO PLC**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE 3 MONTHS ENDED 28 FEBRUARY 2018**

VUE INTERNATIONAL BIDCO PLC

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (unaudited)  
FOR THE PERIOD ENDED 28 FEBRUARY 2018

	3 Months ended 28 February 2018 £000	3 Months ended 28 February 2017 £000
Note		
<b>Revenue</b>	<b>246,307</b>	236,606
Cost of sales	<b>(92,273)</b>	(88,559)
<b>Gross profit</b>	<b>154,034</b>	148,047
<b>Operating expenses:</b>		
Headline operating expenses	<b>(98,968)</b>	(91,943)
Depreciation & amortisation	<b>(14,949)</b>	(13,980)
Exceptional operating items	<b>(2,452)</b>	(1,859)
<b>Operating profit</b>	<b>37,665</b>	40,265
Headline operating profit <sup>(1)</sup>	<b>40,117</b>	42,124
Finance income	<b>65</b>	33
Finance expenses	<b>2 (34,429)</b>	(31,944)
<b>Net finance costs</b>	<b>(34,364)</b>	(31,911)
<b>Profit before income tax</b>	<b>3,301</b>	8,354
Tax	<b>(11,193)</b>	(8,674)
<b>Loss for the period</b>	<b>(7,892)</b>	(320)
<b>Attributable to:</b>		
- Owners of the parent	<b>(7,949)</b>	(371)
- Non-controlling interests	<b>57</b>	51
	<b>(7,892)</b>	(320)

(1) Before exceptional items

All amounts relate to continuing operations.

VUE INTERNATIONAL BIDCO PLC

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)  
FOR THE PERIOD ENDED 28 FEBRUARY 2018

	<b>3 Months ended 28 February 2018 £000</b>	3 Months ended 28 February 2017 £000
<b>Loss for the period</b>	<b>(7,892)</b>	(320)
<b>Items that may subsequently be reclassified to profit or loss</b>		
Translation gains / (losses) on net investments	<b>2,312</b>	(1,382)
<b>Total comprehensive loss for the period</b>	<b>(5,580)</b>	(1,702)
<b>Attributable to:</b>		
- Owners of the parent	<b>(5,637)</b>	(1,753)
- Non-controlling interests	<b>57</b>	51

VUE INTERNATIONAL BIDCO PLC

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (unaudited)  
AS AT 28 FEBRUARY 2018

	Notes	As at 28 February 2018 £000	As at 30 November 2017 £000
<b>Non-current assets</b>			
Property, plant and equipment	3	327,420	335,438
Goodwill and intangible assets		878,845	877,293
Investments		430	430
Deferred tax asset		29,438	32,076
Trade and other receivables	5	3,026	3,011
<b>Total non-current assets</b>		<b>1,239,159</b>	<b>1,248,248</b>
<b>Current assets</b>			
Inventories	4	4,927	5,199
Trade and other receivables	5	60,812	62,198
Cash and cash equivalents	6	137,003	116,135
<b>Total current assets</b>		<b>202,742</b>	<b>183,532</b>
<b>Total assets</b>		<b>1,441,901</b>	<b>1,431,780</b>
<b>Current liabilities</b>			
Trade and other payables	7	174,182	176,338
Interest-bearing loans and other liabilities	8	6,216	6,825
Provisions	9	1,802	1,742
<b>Total current liabilities</b>		<b>182,200</b>	<b>184,905</b>
<b>Non-current liabilities</b>			
Trade and other payables	7	51,826	53,032
Interest-bearing loans and other liabilities	8	1,490,282	1,470,086
Provisions	9	103,849	104,822
Deferred tax liability		4,269	4,269
<b>Total non-current liabilities</b>		<b>1,650,226</b>	<b>1,632,209</b>
<b>Total liabilities</b>		<b>1,832,426</b>	<b>1,817,114</b>
<b>Net liabilities</b>		<b>(390,525)</b>	<b>(385,334)</b>
<b>Equity</b>			
Share capital	10	4,718	4,718
Share based payment reserve		9,366	8,853
Retained losses		(404,689)	(399,052)
<b>Equity attributable to owners of the parent</b>		<b>(390,605)</b>	<b>(385,481)</b>
Non-controlling interests		80	147
<b>Total equity</b>		<b>(390,525)</b>	<b>(385,334)</b>

VUE INTERNATIONAL BIDCO PLC

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)  
FOR THE PERIOD ENDED 28 FEBRUARY 2018

	Share Capital £000	Share Based Payment Reserve £000	Retained Earnings £000	Total £000	Non- controlling interest £000	Total Equity £000
<b>Balance at 30 November 2016</b>	<b>4,718</b>	<b>6,798</b>	<b>(318,197)</b>	<b>(306,681)</b>	<b>150</b>	<b>(306,531)</b>
(Loss)/profit for the period	-	-	(101,036)	(101,036)	123	(100,913)
Other comprehensive income for the period	-	-	20,181	20,181	-	20,181
Total comprehensive (loss)/income for the period	-	-	(80,855)	(80,855)	123	(80,732)
Share based payments	-	2,055	-	2,055	-	2,055
Dividend paid to non-controlling interests	-	-	-	-	(126)	(126)
<b>Balance at 30 November 2017</b>	<b>4,718</b>	<b>8,853</b>	<b>(399,052)</b>	<b>(385,481)</b>	<b>147</b>	<b>(385,334)</b>
(Loss)/profit for the period	-	-	(7,949)	(7,949)	57	(7,892)
Other comprehensive loss for the period	-	-	2,312	2,312	-	2,312
Total comprehensive (loss)/income for the period	-	-	(5,637)	(5,637)	57	(5,580)
Share based payments	-	513	-	513	-	513
Dividend paid to non-controlling interests	-	-	-	-	(124)	(124)
<b>Balance at 28 February 2018</b>	<b>4,718</b>	<b>9,366</b>	<b>(404,689)</b>	<b>(390,605)</b>	<b>80</b>	<b>(390,525)</b>

VUE INTERNATIONAL BIDCO PLC

**CONSOLIDATED CASH FLOW STATEMENT (unaudited)  
FOR THE PERIOD ENDED 28 FEBRUARY 2018**

	<b>Notes</b>	<b>3 Months ended 28 February 2018 £000</b>	<b>3 Months ended 28 February 2017 £000</b>
<b>Net cash inflow from operating activities</b>	<b>11</b>	<b>48,851</b>	<b>58,606</b>
<b>Cashflows from investing activities</b>			
Interest received		<b>65</b>	<b>33</b>
Purchases of property, plant and equipment		<b>(9,247)</b>	<b>(6,670)</b>
Landlord contributions received		<b>1,133</b>	<b>-</b>
<b>Net cash outflow from investing activities</b>		<b>(8,049)</b>	<b>(6,637)</b>
<b>Cashflows from financing activities</b>			
Interest paid		<b>(18,305)</b>	<b>(18,646)</b>
Payment of borrowings		<b>(1,669)</b>	<b>(2,047)</b>
Dividend paid to non-controlling interest		<b>(124)</b>	<b>(126)</b>
<b>Net cash outflow from financing activities</b>		<b>(20,098)</b>	<b>(20,819)</b>
<b>Net increase in cash and cash equivalents</b>		<b>20,704</b>	<b>31,150</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>116,135</b>	<b>102,946</b>
Exchange gains on cash and cash equivalents		<b>164</b>	<b>(2,650)</b>
<b>Cash and cash equivalents at end of period</b>		<b>137,003</b>	<b>131,446</b>

# VUE INTERNATIONAL BIDCO PLC

## NOTES TO THE FINANCIAL STATEMENTS (unaudited)

### 1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and the Companies Act 2006 applicable to companies reporting under IFRS. The Group financial statements comply with Article 4 of the EU IAS Regulation.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

### 2. FINANCE EXPENSES

	<b>3 Months ended 28 February 2018 £000</b>	3 Months ended 28 February 2017 £000
Senior secured notes and bank loans	13,761	14,282
Amortisation of capitalised issue costs	70	70
Shareholder loan interest	19,232	18,148
Unwinding of discount factor on provisions	474	456
Foreign exchange losses/(gains)	892	(1,012)
	<u>34,429</u>	<u>31,944</u>

### 3. PROPERTY, PLANT AND EQUIPMENT

	<b>As at 28 February 2018 £000</b>	As at 30 November 2017 £000
Opening net book value	335,438	343,789
Additions	5,602	44,994
Disposals	(76)	(2,654)
Depreciation	(14,188)	(55,000)
Impairment charge	-	(2,232)
Foreign exchange gain	646	7,507
Fair value adjustments	(2)	(127)
Transfers to intangibles	-	(839)
<b>Closing net book value</b>	<u>327,420</u>	<u>335,438</u>

### 4. INVENTORIES

	<b>As at 28 February 2018 £000</b>	As at 30 November 2017 £000
Finished goods and goods for resale	<u>4,927</u>	<u>5,199</u>

VUE INTERNATIONAL BIDCO PLC

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

5. TRADE AND OTHER RECEIVABLES

	As at 28 February 2018 £000	As at 30 November 2017 £000
Trade receivables	31,027	26,892
Allowance for doubtful debts	(4,072)	(4,042)
Prepayments	24,880	23,293
Other receivables	12,003	17,973
Corporate taxes	-	1,093
<b>Total</b>	<b>63,838</b>	<b>65,209</b>
Current	60,812	62,198
Non-current	3,026	3,011
<b>Total</b>	<b>63,838</b>	<b>65,209</b>

6. CASH AND CASH EQUIVALENTS

	As at 28 February 2018 £000	As at 30 November 2017 £000
Cash - unrestricted	132,800	111,941
Cash - restricted	4,203	4,194
	<b>137,003</b>	<b>116,135</b>

7. TRADE AND OTHER PAYABLES

	As at 28 February 2018 £000	As at 30 November 2017 £000
Trade payables	43,813	48,429
Accrued expenses	77,728	79,712
Other payables	6,899	7,255
Amounts payable to group undertakings	186	275
Corporate taxes	6,028	-
Taxation and social security	2,243	2,061
Deferred income	89,111	91,638
<b>Total</b>	<b>226,008</b>	<b>229,370</b>
Current	174,182	176,338
Non-current	51,826	53,032
<b>Total</b>	<b>226,008</b>	<b>229,370</b>



VUE INTERNATIONAL BIDCO PLC

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

8. BORROWINGS

	As at 28 February 2018 £000	As at 30 November 2017 £000
<b>Non-current</b>		
Interest-bearing loans and bank borrowings	1,464,667	1,443,513
Finance lease liabilities	25,615	26,573
<b>Total</b>	<u>1,490,282</u>	<u>1,470,086</u>
<b>Current</b>		
Finance lease liabilities	6,216	6,825
<b>Total</b>	<u>6,216</u>	<u>6,825</u>
<b>Interest-bearing loans and other liabilities</b>	<u>1,496,498</u>	<u>1,476,911</u>

The terms and conditions of outstanding loans were as follows:

	Current		Non-Current		Total	
	28 February 2018 £000	30 November 2017 £000	28 February 2018 £000	30 November 2017 £000	28 February 2018 £000	30 November 2017 £000
Senior secured note - £300m	-	-	296,519	296,211	296,519	296,211
Senior secured note - €360m	-	-	311,861	310,611	311,861	310,611
Senior secured loan - €120m	-	-	103,951	103,636	103,951	103,636
External loans	-	-	579	603	579	603
Shareholder loan notes	-	-	752,165	732,933	752,165	732,933
<b>Total</b>	-	-	1,465,075	1,443,994	1,465,075	1,443,994
<b>Less:</b>						
Capitalised issues costs	-	-	(411)	(481)	(411)	(481)
<b>Total interest bearing loans and borrowings</b>	-	-	1,464,664	1,443,513	1,464,664	1,443,513
Finance lease liabilities	6,216	6,825	25,618	26,573	31,834	33,398
<b>Total interest bearing loans and borrowings</b>	6,216	6,825	1,490,282	1,470,086	1,496,498	1,476,911

## VUE INTERNATIONAL BIDCO PLC

### NOTES TO THE FINANCIAL STATEMENTS (unaudited)

#### 8. BORROWINGS (Continued)

##### Senior Secured Notes

Senior secured floating rate Euro denominated notes of €290m were issued on 18 July 2013 with a termination date of 15 July 2020. Interest is floating at three month EURIBOR plus a margin of 525 bps. Interest is payable on a quarterly basis. An Original Issue Discount fee (OID) of €1.2m (£1.0m) was paid on the date of issue of the notes.

A further €70m issue of the senior secured floating rate Euro denominated notes occurred on 11 November 2014 with the same terms as the previous notes. The termination date is 15 July 2020. Interest is floating at three month EURIBOR plus a margin of 525 bps and is payable on a quarterly basis. An Original Issue Discount fee (OID) of €1.8m (£1.4m) was paid on the date of issue of the notes.

Senior secured fixed rate Sterling denominated notes of £300m were issued on 18 July 2013 with a termination date of 15 July 2020. Interest is fixed at 7.875% and payable on a semi-annual basis.

A senior secured floating rate Euro denominated term loan of €120m was issued on 29 July 2016. Interest is floating at three month EURIBOR plus a margin of 550 bps. Interest is payable on a quarterly basis. An Original Issue Discount fee (OID) of €0.6m (£0.5m) was paid on the date of issue of the loan. This loan is repayable on 29 July 2023.

##### Shareholder loan notes

Shareholder loans bear interest of 11.0% and have a termination date of 9 August 2033. Early repayment can be requested but not before the termination of the senior secured notes. Interest roll up and capital is repayable on the termination date.

##### Security

The senior secured notes and revolving credit facility are secured by cross guarantees and charges over certain of the Group's shares and assets.

##### Capitalised issue costs

Costs incurred in issuing the senior debt and the credit facility are capitalised and are allocated to the Consolidated income statement over the life of the related debt facility. At 28 February 2018 borrowings are stated net of unamortised issue costs of £10.2m (2017: £11.1m).

##### External loans

External loans relate to loans from the German Federal Film Fund (FFA). These loans have a variety of maturity dates with the last due to be repaid in 2022.

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

9. PROVISIONS

	As at 28 February 2018 £000	As at 30 November 2017 £000
<b>Analysis of total provisions</b>		
Current	1,802	1,742
Non-current	103,849	104,822
	<u>105,651</u>	<u>106,564</u>

	Property provisions £000	Jubilee retirement £000	Other provisions £000	Total £000
At 30 November 2017	102,555	2,267	1,742	106,564
Additions during the year	-	50	50	100
Utilised / Released during the year	(1,378)	(117)	-	(1,495)
Unwound during the year	474	-	-	474
Foreign exchange loss	(7)	5	10	8
<b>At 28 February 2018</b>	<u>101,644</u>	<u>2,205</u>	<u>1,802</u>	<u>105,651</u>

10. SHARE CAPITAL

	As at 28 February 2018 £000	As at 30 November 2017 £000
<b>Allotted, issued and fully paid</b>		
4,718,100 Ordinary shares of £1.00 each	<u>4,718</u>	<u>4,718</u>

11. CASH GENERATED FROM OPERATIONS

	3 Months ended 28 February 2018 £000	3 Months ended 28 February 2017 £000
<b>Loss for the year</b>	(7,892)	(320)
Adjustment for:		
Income tax expenses	11,193	8,674
Net finance costs	34,364	31,927
(Loss)/gain on disposal of tangible fixed assets	73	51
Depreciation	14,149	13,363
Amortisation of intangible assets	800	618
Other non-cash items	(1,723)	(1,749)
<b>Operating cash flows before movements in working capital</b>	<u>50,964</u>	<u>52,564</u>
Decrease in inventories	275	31
(Increase) / Decrease in trade receivables	(538)	4,687
(Decrease) / Increase in trade and other payables	(296)	2,137
<b>Cash generated from operations</b>	<u>50,405</u>	<u>59,419</u>
Income taxes paid	(1,554)	(814)
<b>Net cash inflow from operating activities</b>	<u>48,851</u>	<u>58,606</u>

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

12. ANALYSIS OF CHANGES IN NET DEBT

	30 November 2017 £000	Cash flow £000	Foreign Exchange movements £000	Interest charges £000	Other non- cash movements £000	28 February 2018 £000
Cash and cash equivalents	116,135	20,704	164	-	-	137,003
Shareholder loan notes	(732,933)	-	-	(19,232)	-	(752,165)
Senior secured notes and loans	(710,458)	-	(889)	-	(984)	(712,331)
Unamortised capitalised bank fees	481	-	-	-	(70)	411
Finance lease liabilities	(33,398)	2,430	(81)	(785)	-	(31,834)
External loans	(603)	24	-	-	-	(579)
<b>Total</b>	<b>(1,360,776)</b>	<b>23,158</b>	<b>(806)</b>	<b>(20,017)</b>	<b>(1,054)</b>	<b>(1,359,495)</b>

13. TAXATION

Income tax is recognised based on management's best estimate of the annual income tax rate expected for the financial period.

14. FINANCIAL RISK MANAGEMENT

The interim condensed consolidated financial statements do not include the financial risk management information and disclosures required in annual financial statements. A description of major risk factors considered by the Group can be found in the audited annual report and financial statements of Vue International Bidco plc for the period to 30 November 2017, a copy of which is available on the group website (<http://vue-international.com/index.php/investor-relations/reports-presentations>).