



# Vue International Q1 FY2019 Noteholder Presentation

8 April 2019

Vue Nederland Hilversum – Movie Night Special Event

## **IMPORTANT: You must read the following before continuing**

### **PRESENTATION OF FINANCIAL DATA**

On 12 August 2016 Vougeot Bidco plc changed its name to Vue International Bidco plc.

This presentation refers to market information obtained from third party sources. "Market Admissions" for UK, Italy and the Netherlands are a measure of paid and unpaid box office admissions and are sourced from the Cinema Advertising Association ("CAA"), Cinetel and Rentrak respectively. Market Admissions for Germany and Poland includes only paid admissions and the sources are Rentrak through [www.IBOE.com](http://www.IBOE.com) and [www.boxoffice.pl](http://www.boxoffice.pl) respectively. Gross Box Office Revenue ("GBOR") measures box office revenue including local sales taxes by film and in aggregate. Market GBOR refers to total GBOR for markets referred to. "Major Territories" and "Vue Major Territories" specifically refer to UK, Germany, Poland, Italy and the Netherlands being the major markets in which Bidco operates. Major Territories Total Market GBOR and Vue Major Territories GBOR are aggregated measures of GBOR for the total market and for Bidco. "Market Share" is Vue Major Territories GBOR as a proportion of Major Territories Total Market GBOR. Market and Vue GBOR information for UK & Ireland, Germany and the Netherlands is sourced from Rentrak through [www.IBOE.com](http://www.IBOE.com), Poland from [www.boxoffice.pl](http://www.boxoffice.pl) and Italy from Cinetel.

The Pro Forma financial information presented in this report has been derived from the consolidated financial statements of Bidco, and the pre-acquisition consolidated financial information of Vue Entertainment Holdings (Ireland) Limited and its subsidiaries which includes Showtime Cinemas (Ashbourne) Limited and Showtime Cinemas (Limerick) Limited which were acquired by the Group on the 2<sup>nd</sup> July 2018.

Effective from 28<sup>th</sup> November 2014, the Company has elected to adopt International Financial Reporting Standards ("IFRS"). All financial information in this presentation has been prepared in accordance with IFRS.

A summary of the financial information on the Pro Forma basis and the Bidco "As Acquired" basis is set out in the Appendices. A reconciliation between the Bidco As Acquired Profit and Loss Account and the audited Statutory Consolidated Profit and Loss Account for Vue International Bidco plc is also provided within the Appendices.

### **DISCLAIMER**

This presentation is for information purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities. This presentation does not contain all of the information that is material to an investor.

### **Forward-Looking Statements**

This presentation contains "forward-looking statements" as that term is defined by the U.S. federal securities laws and within the meaning of the securities laws of certain other jurisdictions. These forward-looking statements include, without limitation, those regarding our intentions, beliefs or current expectations concerning our future financial condition and performance, results of operations and liquidity; our strategy, plans, objectives, prospects, growth, goals and targets; future developments in the markets in which we participate or are seeking to participate; and anticipated regulatory changes in the industry in which we operate.

These statements often include words such as "anticipate," "believe," "could," "estimates," "expect," "forecast," "intend," "August," "plan," "projects," "should," "suggests," "targets," "would," "will," and other similar expressions. These statements are not guarantees of performance or results. Many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those expressed in the forward-looking statements and projections.

We undertake no obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this presentation.

Vue International Bidco plc and its shareholders continue to evaluate all of the strategic options and opportunities available. This includes a potential sale or IPO, however no decisions have been made and nothing has been ruled out.

**Highlights**

**Market Update**

**Key Financials**

**Current Trading Update and Outlook**

**Summary**

**Q&A**



**Tim Richards**  
CEO



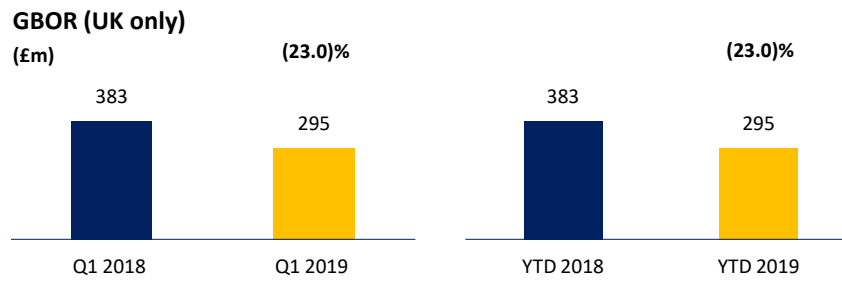
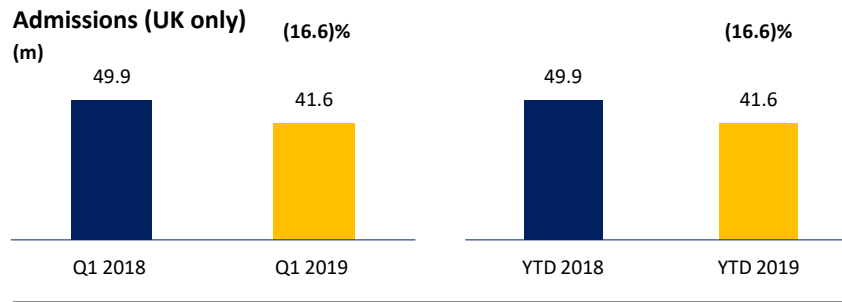
**Alison Cornwell**  
CFO



**Steve Knibbs**  
COO

- LTM EBITDA of £110.4m  
➤ net leverage of 5.7x
- Lower Market Admissions due to the strength of *Star Wars: The Last Jedi* in the prior year, notably in the UK and Germany; offset by higher Market Admissions in the growth markets of Poland and The Netherlands
- Growth in Vue market share driven by various initiatives across the major territories
- Lower ATP driven by the mix effect of growth in “low ATP” Poland and reduction in “high ATP” Germany as well as higher kids film mix and price optimisation
- SPP marginally higher with most territories in line or slightly above the previous period
- New Site opened in Hamm Germany with Eltham UK on track to open in April; various refurbishments in progress in Germany and the UK
- Integration planning well developed for the efficient integration of the Cinema3D and CineStar acquisitions expected to close in Q2 and Q3 respectively

	Q1 2019	Q1 2018	Constant Currency	
Major Territories Market Admissions (m)	131.8	142.7	(7.6)%	↓
Admissions (m)	24.8	25.4	(2.4)%	↓
Vue Major Territories Admissions Share %	18.0%	16.9%	1.0ppt	↑
Turnover (£m)	220.9	247.2	(10.6)%	↓
Consolidated EBITDA (£m)	44.1	55.9	(21.1)%	↓
Consolidated EBITDA %	20.0%	22.6%	(2.6)ppt	↓
ATP (£)	5.48	6.31	(13.2)%	↓
SPP (£)	2.31	2.30	0.2%	↑
LTM EBITDA (£m)	110.4			
Net Leverage	5.7x (5.7x in constant currency)			



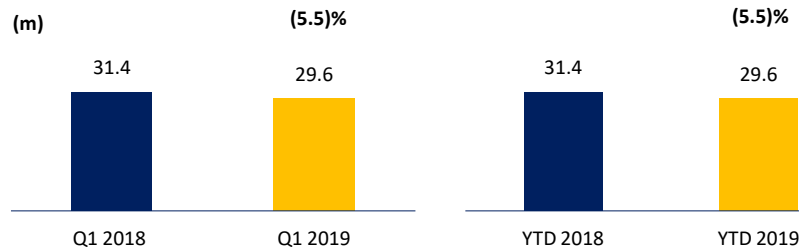
Source: DCM for admissions, IBOE / Rentak for GBOR

Top Titles Q1 2019 - UK & Ireland	GBOR (£m)	3D	Local
Mary Poppins Returns	44.0	No	Yes
Aquaman	22.5	Yes	No
Ralph Breaks The Internet	18.3	Yes	No
How To Train Your Dragon: The Hidden World	16.2	Yes	No
Favourite, The	15.9	No	Yes
<b>Total Top 5</b>	<b>116.9</b>	<b>3</b>	<b>2</b>
<b>Other</b>	<b>204.0</b>		
<b>Total Market</b>	<b>320.9</b>		
<i>Top 5 as a % of total market</i>	<i>36.4%</i>		

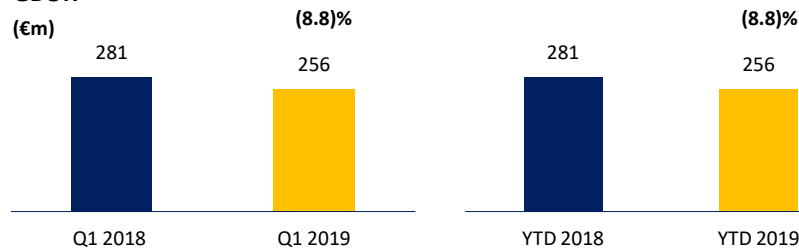
Top Titles Q1 2018 - UK & Ireland	GBOR (£m)	3D	Local
Star Wars: The Last Jedi	82.4	Yes	No
Jumanji: Welcome To The Jungle	37.3	Yes	No
Greatest Showman, The	33.7	No	No
Black Panther	30.9	Yes	No
Darkest Hour	23.0	No	Yes
<b>Total Top 5</b>	<b>207.3</b>	<b>3</b>	<b>1</b>
<b>Other</b>	<b>203.7</b>		
<b>Total Market</b>	<b>411.0</b>		
<i>Top 5 as a % of total market</i>	<i>50.4%</i>		

- UK Market Admissions in Q1 2019 16.6% lower than Q1 2018 due to the exceptionally strong performance of the Top 5 Films in the comparative period, driven by *Star Wars: The Last Jedi* which was the top title of the entire year
- Market GBOR lower by 23.0% in Q1 2019 due to lower 3D box office mix and higher kids title mix including *Ralph Breaks The Internet* and *How To Train Your Dragon: The Hidden World*. Market GBOR delivered by titles outside the Top 5 was remarkably consistent at c.£204m in each period

## Admissions (m)



## GBOR (€m)



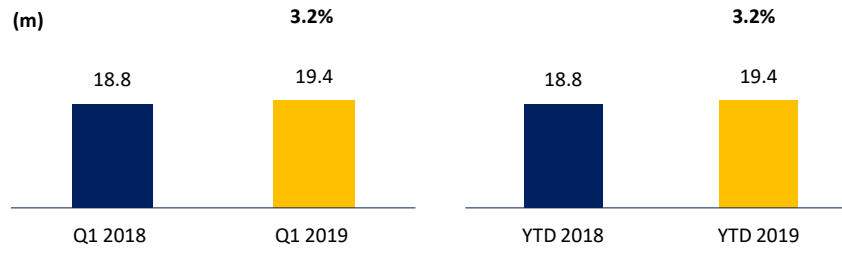
Source: IBOE / Rentrak

Top Titles Q1 2019 - Germany	GBOR (€m)	3D	Local
Der Junge muss an die frische Luft	27.5	No	Yes
Aquaman	20.6	Yes	No
How The Grinch Stole Christmas	16.5	Yes	No
Fantastic Beasts: Crimes Of Grindelwald	15.6	Yes	No
Bohemian Rhapsody	13.7	No	No
<b>Total Top 5</b>	<b>94.1</b>	<b>3</b>	<b>1</b>
<b>Other</b>	<b>162.0</b>		
<b>Total Market</b>	<b>256.1</b>		
<i>Top 5 as a % of total market</i>	<i>36.7%</i>		

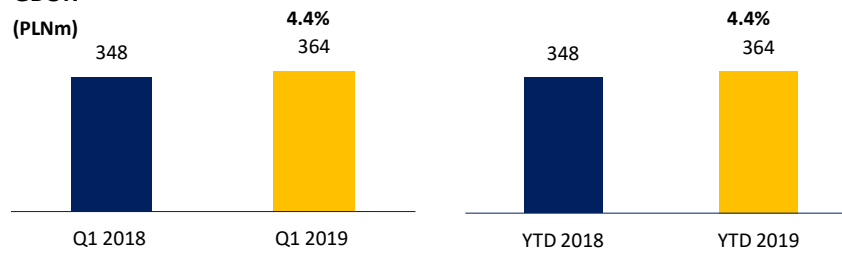
Top Titles Q1 2018 - Germany	GBOR (€m)	3D	Local
Star Wars: The Last Jedi	68.4	Yes	No
Fifty Shades Freed	21.3	No	No
Jumanji: Welcome to the Jungle	18.6	Yes	No
Dieses bescheuerte Herz	16.3	No	Yes
Coco	9.9	Yes	No
<b>Total Top 5</b>	<b>134.5</b>	<b>3</b>	<b>1</b>
<b>Other</b>	<b>146.4</b>		
<b>Total Market</b>	<b>280.9</b>		
<i>Top 5 as a % of total market</i>	<i>47.9%</i>		

- Market Admissions and Market GBOR in Q1 2019 lower than Q1 2018 due to the exceptionally strong performance of *Star Wars: The Last Jedi* which was the top title of FY 2018
- Market GBOR delivered by titles outside the Top 5 exceeded the prior year (€162.0m v.s €146.4m) signalling improved strength in the underlying market
- Also notable was the success of local title *Der Junge Muss An Die Frische Luft* which was released in December 2018 and which has delivered a lifetime market GBOR of almost €30m

## Admissions (m)



## GBOR (PLNm)

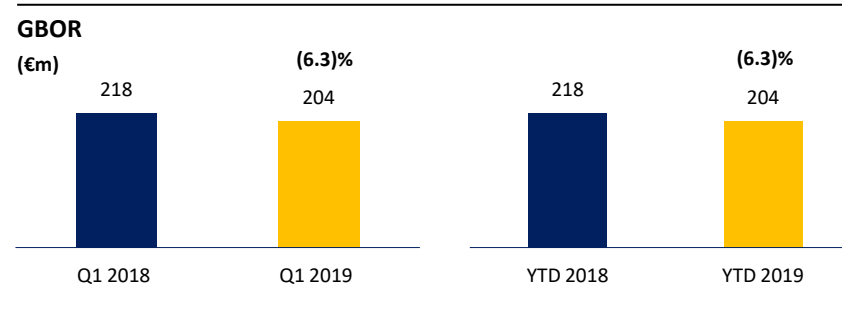
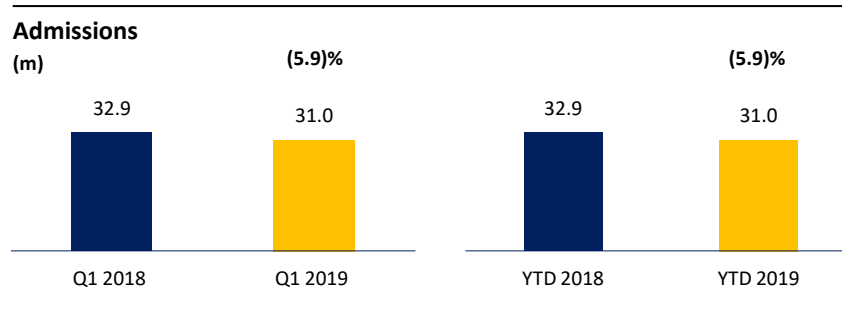


Source: Boxoffice.pl

Top Titles Q1 2019 - Poland	GBOR (Złm)	3D	Local
Miszmaz, Czyli Kogel Mogel 3	45.3	No	Yes
Planeta Singli 3	25.3	No	Yes
The Grinch	22.5	No	No
Underdog	18.7	No	Yes
Ralph Breaks The Internet	17.4	Yes	No
<b>Total Top 5</b>	<b>129.2</b>	<b>1</b>	<b>3</b>
<b>Other</b>	<b>234.6</b>		
<b>Total Market</b>	<b>363.8</b>		
<i>Top 5 as a % of total market</i>	<i>35.5%</i>		

Top Titles Q1 2018 - Poland	GBOR (Złm)	3D	Local
Star Wars: The Last Jedi	45.8	Yes	No
Fifty Shades Freed	26.2	No	No
Narzeczoncy Na Niby	22.5	No	Yes
Kobiety Mafii	20.5	No	Yes
Podatek Od Miłości	19.7	No	Yes
<b>Total Top 5</b>	<b>134.7</b>	<b>1</b>	<b>3</b>
<b>Other</b>	<b>213.8</b>		
<b>Total Market</b>	<b>348.5</b>		
<i>Top 5 as a % of total market</i>	<i>38.6%</i>		

- The growth trend in Market Admissions and Market GBOR continued in Q1 2019 with significant success from local title *Miszmaz, Czyli Kogel Mogel 3* being the Top Title and delivering a Market GBOR in line with *Star Wars: The Last Jedi* which was the Top Title in Q1 2018
- Local titles continued to perform strongly accounting for 3 of the Top 5 titles in both periods
- Market GBOR delivered by titles outside the Top 5 exceeded the prior year (PLN234.6m v.s PLN213.8m) signalling continued growth in the underlying market



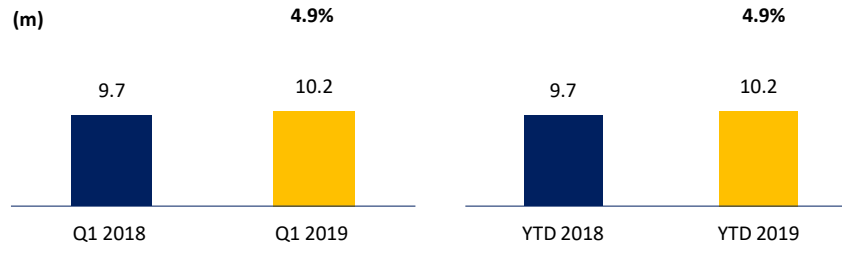
Source: Cinetel

Top Titles Q1 2019 - Italy	GBOR (€m)	3D	Local
Bohemian Rhapsody	26.8	No	No
Mary Poppins Returns	12.1	No	No
Ralph Breaks The Internet	10.8	Yes	No
Aquaman	10.8	Yes	No
Amici Come Prima	8.2	No	Yes
<b>Total Top 5</b>	<b>68.8</b>	<b>2</b>	<b>1</b>
<b>Other</b>	<b>135.3</b>		
<b>Total Market</b>	<b>204.1</b>		
<i>Top 5 as a % of total market</i>	<i>33.7%</i>		

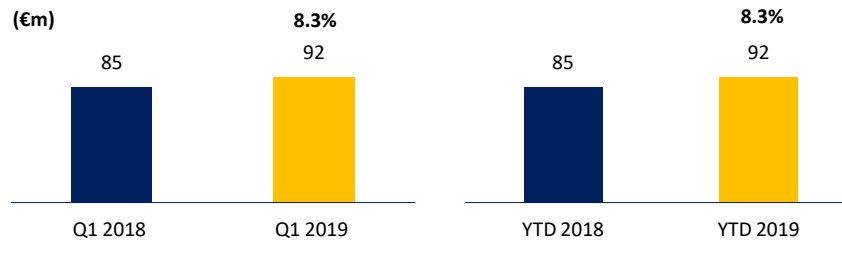
Top Titles Q1 2018 - Italy	GBOR (€m)	3D	Local
Star Wars: The Last Jedi	15.1	Yes	No
Murder On The Orient Express	14.3	No	No
Fifty Shades Freed	13.9	No	No
Wonder	12.1	No	No
Coco	11.2	Yes	No
<b>Total Top 5</b>	<b>66.6</b>	<b>2</b>	<b>0</b>
<b>Other</b>	<b>151.0</b>		
<b>Total Market</b>	<b>217.7</b>		
<i>Top 5 as a % of total market</i>	<i>30.6%</i>		

- Market Admissions and Market GBOR in Q1 2019 lower than Q1 2018 with lower performance of titles outside the Top 5
- *Bohemian Rhapsody* dominated the Italian market in Q1 2019 delivering Market GBOR of €26.8m from a total lifetime run of €29.0m. The success of local title *Amici Come Prima* was also of note following a period of several quarters without a strong local film slate

## Admissions (m)



## GBOR (€m)



Source: Cinetel

Top Titles Q1 2019 - Netherlands	GBOR (€m)	3D	Local
Bohemian Rhapsody	13.2	No	No
Aquaman	6.7	Yes	No
Bon Bini Holland 2	6.3	No	Yes
Fantastic Beasts: The Crimes Of Grindelwald	4.8	Yes	No
Dr. Seuss' The Grinch	4.7	Yes	No
<b>Total Top 5</b>	<b>35.8</b>	<b>3</b>	<b>1</b>
<b>Other</b>	<b>56.7</b>		
<b>Total Market</b>	<b>92.5</b>		
<i>Top 5 as a % of total market</i>	<i>38.7%</i>		

Top Titles Q1 2018 - Netherlands	GBOR (€m)	3D	Local
Star Wars: The Last Jedi	10.9	Yes	No
Jumanji: Welcome to the Jungle	7.2	Yes	No
Ferdinand	5.5	Yes	No
Coco	5.0	Yes	No
Black Panther	4.4	Yes	No
<b>Total Top 5</b>	<b>33.0</b>	<b>5</b>	<b>0</b>
<b>Other</b>	<b>52.4</b>		
<b>Total Market</b>	<b>85.4</b>		
<i>Top 5 as a % of total market</i>	<i>38.6%</i>		

- Market Admissions higher in Q1 2019 driven by strength of the Top 5 titles (notably the continuing strength of *Bohemian Rhapsody* which was released on Q4 2018 and has delivered a lifetime GBOR of almost €22.0m)
- Market GBOR also higher in Q1 2019 due to higher admissions and ATP driven by premium formats such as Dolby Cinema and price restructuring by Pathe

# Market Admissions Share Summary

	Q1 2019	Q1 2018	Variance	
UK Market Admissions (m)	41.6	49.9	(16.6)%	↓
Germany Market Admissions (m)	29.6	31.4	(5.5)%	↓
Poland Market Admissions (m)	19.4	18.8	3.2%	↑
Italy Market Admissions (m)	31.0	32.9	(5.9)%	↓
Netherlands Market Admissions (m)	10.2	9.7	4.9%	↑
<b>Major Territories Total Market Admissions (m)</b>	<b>131.8</b>	<b>142.7</b>	<b>(7.6)%</b>	<b>↓</b>
Vue Major Territories Admissions (m)	23.7	24.2	(2.1)%	↓
Vue Major Territories Admissions Market Share (%)	18.0%	16.9%	1.0ppt	↑

- Vue's Admissions market share increased by 1.0ppt in Q1 2019 against the prior year reflecting:
  - Benefits arising from growth initiatives over the past year
  - Growth from large scale refurbishments of specific sites in the UK, Germany, Netherlands and Poland, as well as new sites in Poland, UK and Germany
  - Enhancements in Digital & CVM activity in Vue UK/IR, with other territory roll outs underway
  - Automated scheduling software improvements in UK/IR and roll out of similar software in Germany

# Initiatives and Developments in Q1 2019

- Major refurbishment of Manchester Lowry (UK) on target for completion in April 2019; other refurbishments underway in Germany
- New site with 7 screens opened in Hamm (Germany) during Q1 2019; significant work undertaken to open new site in Eltham (UK) in Q2 2019
- Continued focus on operating and scheduling systems including the completion of the roll out of staff rostering software in the UK
- Lease regears agreed at 5 sites (2 in the UK, 1 in each of Germany, Italy, Poland)
- Group wide procurement review of non food supplies undertaken and multiple deals in negotiation or signed
- Integration planning developing in parallel with local Cinema3D and CineStar Competition processes



Manchester Lowry



Hamm

	Q1 2019	Q1 2018	Variance	
			As Reported	Constant C.
Major Territories Total Market Admissions (m)	131.8	142.7	(7.6)% ↓	(7.6)% ↓
Box Office Revenue (£m)	136.0	160.5	(15.3)% ↓	(15.3)% ↓
Concessions Revenue (£m)	57.2	58.6	(2.3)% ↓	(2.2)% ↓
Screen Advertising and Other Revenue (£m)	27.7	28.1	(1.6)% ↓	(1.5)% ↓
<b>Group Turnover (£m)</b>	<b>220.9</b>	<b>247.2</b>	<b>(10.7)% ↓</b>	<b>(10.6)% ↓</b>
<i>Admissions (m)</i>	<i>24.8</i>	<i>25.4</i>	<i>(2.4)% ↓</i>	<i>(2.4)% ↓</i>
<i>ATP (£)</i>	<i>5.48</i>	<i>6.31</i>	<i>(13.2)% ↓</i>	<i>(13.2)% ↓</i>
<i>SPP (£)</i>	<i>2.31</i>	<i>2.30</i>	<i>0.1% ↑</i>	<i>0.2% ↑</i>

- Vue delivered significant Group Turnover of £220.9m on 24.8m admissions in Q1 2019
- This represented a 10.6% reduction in turnover v.s. Q1 2018 which had been dominated by the success of *Star Wars: The Last Jedi* in the key markets of UK/I and Germany
- ATP down 82p (13.2%) in constant currency reflecting a significantly higher mix of kids titles, targeted pricing and other campaigns and the mix effect of the continuing growth of “low ATP” Poland and the reduction of “high ATP” Germany
- SPP up 1p (0.2%) driven by new products, initiatives and merchandise income

	Q1 2019	Q1 2018	Variance	
			As Reported	Constant C.
<b>Turnover (£m)</b>	<b>220.9</b>	<b>247.2</b>	<b>(10.7)%</b> ↓	<b>(10.6)%</b> ↓
<b>Gross profit (£m)</b>	<b>144.1</b>	<b>154.6</b>	<b>(6.8)%</b> ↓	<b>(6.8)%</b> ↓
<i>Gross profit %</i>	<i>65.3%</i>	<i>62.6%</i>	<i>2.7ppt</i> ↑	<i>2.7ppt</i> ↑
<b>Administrative expenses (£m)</b>	<b>(65.5)</b>	<b>(63.9)</b>	<b>(2.6)%</b> ↓	<b>(2.6)%</b> ↓
<i>Administrative expenses as % of revenue</i>	<i>29.7%</i>	<i>25.8%</i>	<i>(3.8)ppt</i> ↓	<i>(3.8)ppt</i> ↓
<b>Rent (£m)</b>	<b>(34.5)</b>	<b>(34.9)</b>	<b>1.2%</b> ↑	<b>1.1%</b> ↑
<i>Rent as % of revenue</i>	<i>15.6%</i>	<i>14.1%</i>	<i>(1.5)ppt</i> ↓	<i>(1.5)ppt</i> ↓
<b>Consolidated EBITDA (£m)</b>	<b>44.1</b>	<b>55.9</b>	<b>(21.0)%</b> ↓	<b>(21.1)%</b> ↓
<i>Consolidated EBITDA %</i>	<i>20.0%</i>	<i>22.6%</i>	<i>(2.6)ppt</i> ↓	<i>(2.6)ppt</i> ↓

- Q1 2019 delivered growth of 2.7ppt in gross profit % due to the lower concentration of blockbuster titles and resulting reduction in film rental costs and also due to improved concessions margins from procurement initiatives
- Admin costs increased due to additional sites in UK, Germany and Poland, increases in energy costs and national minimum wages above inflation and higher Digital CVM costs as the group wide tools are deployed
- Rent costs were 1.1% lower in constant currency v.s. Q1 2018 due mainly to lower turnover rent and the benefits from regears offset by additional rent costs from new sites in Bromley (UK) and Hamm (Germany)
- Overall the group delivered EBITDA of £44.1m at a margin of 20.0% which was 2.6ppt below Q1 2018 which was driven by particularly high admissions volumes resulting from *Star Wars: The Last Jedi*

	Q1 2019	Q1 2018
<b>Consolidated EBITDA (£m)</b>	<b>44.1</b>	<b>55.5</b>
Working Capital	(9.9)	(0.6)
Maintenance Capex	(3.6)	(3.7)
Growth Capex	(0.6)	(4.4)
Tax Paid	(1.5)	(1.6)
LLC and Onerous lease	(2.0)	(1.6)
Other (Including Non-Cash Adjustments)	(6.3)	(2.9)
<b>Operating Cash Flow (£m)</b>	<b>20.2</b>	<b>40.6</b>
Interest Costs	(18.3)	(18.2)
<b>Total Cash Flow Excluding Debt (£m)</b>	<b>1.9</b>	<b>22.4</b>
<b>Non Cash Movements in Net Debt:</b>		
Unrealised FX gain/(loss) on Euro Bonds and Term Loan B	4.0	(0.9)
Unrealised FX gain/(loss) on cash, other loans and finance leases	(0.9)	0.1
Movement in balance of capitalised financing fees on RCF	(0.1)	(0.1)
Amortised Cost Adjustment on Bond and Term Loan B	(1.1)	(1.0)
<b>Dec/(inc) in Net Debt (per Leverage Definition) (£m)</b>	<b>3.8</b>	<b>20.5</b>

- Net debt decreased by £3.8m during the quarter driven mainly by £20.2m operating cash inflow offset by interest payments of £18.3m and net FX gains on the bonds, loans and cash
- Capex included refurbishments in the UK and Germany
- Other of £6.3m includes transaction costs in respect of the CineStar acquisition and costs in connection with the refinancing process at the end of 2018

	Q1 2019	Q4 2018
£300m Sterling Fixed Rate Notes (Net of Unamortised Financing Costs)	298.0	297.6
€360m Euro Floating Rate Notes (Net of Unamortised Financing Costs)	310.6	313.0
€120m Euro Term Loan B (Net of Unamortised Financing Costs)	103.2	104.1
Revolving Credit Facility	-	-
Finance Leases and Other Loans	25.9	27.7
Unamortised Financing Fees on RCF	(0.1)	(0.2)
<b>Total External Debt Net of Fees (£m)</b>	<b>737.5</b>	<b>742.2</b>
Cash	115.2	116.1
Restricted Cash	(5.3)	(5.3)
<b>Unrestricted Cash and Cash Equivalents (£m)</b>	<b>109.9</b>	<b>110.8</b>
<b>Total External Net Debt (£m)</b>	<b>627.6</b>	<b>631.4</b>
<b>Gross Leverage (x)</b>	<b>6.7x</b>	<b>6.1x</b>
<b>Net Leverage (x)</b>	<b>5.7x</b>	<b>5.2x</b>
<b>LTM Pro Forma Consolidated EBITDA (£m)</b>	<b>110.4</b>	<b>122.0</b>
<b>Net Leverage (x) constant currency</b>	<b>5.7x</b>	<b>5.2x</b>
<b>LTM Pro Forma Consolidated EBITDA (£m) constant currency</b>	<b>109.4</b>	<b>121.6</b>

- Net leverage was 5.7x at the end of Q1 2019 (As Reported and CC basis)
- Substantial cash balances and no RCF drawings

Captain Marvel dominated the market in each of Vue's key territories markets in March. In early April movie fans flocked to purchase advance tickets for *Avengers: Endgame* sparking unprecedented demand. The film will be released towards the end of April.

## UK & Ireland Market

- Market Admissions<sup>1</sup> in March down 25% on prior year
- Top grossing titles were *Captain Marvel* with £33.1m and *Dumbo* with £7.7m GBOR

## German Market

- Market Admissions in March up 1% on prior year
- Top grossing titles were *Captain Marvel* with €17.3m and *Green Book* with €6.2m GBOR

## Poland Market

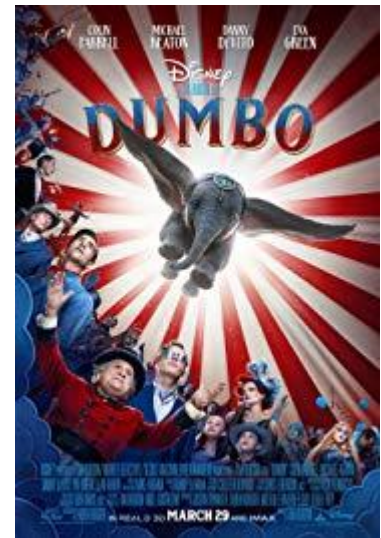
- Market Admissions in March up 6% on prior year
- Top grossing titles were *Captain Marvel* with PLN 15.0m and local title *Kobiety Mafii 2* with PLN 12.0m GBOR

## Italian Market

- Market Admissions in March down 5% on prior year
- Top grossing titles were *Captain Marvel* with €9.7m and *Dumbo* with €3.3m GBOR

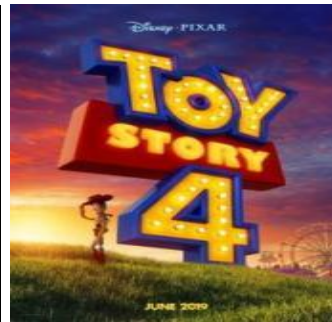
## Netherlands Market

- Market Admissions in March slightly up 0.3% on prior year
- Top grossing titles were *Captain Marvel* with €4.9m and local film *Queen's Corgi* €2.2m GBOR



(1) Admissions for the UK only

- LTM EBITDA of £110.4m and Net Leverage 5.7x
- Numerous initiatives delivered with more in the pipeline, including new site openings, major refurbishments, new screens, recliner seating, price optimisation, Digital/CVM enhancements and the roll out of scheduling to the major European territories and cinema operations software
- Highly organised to efficiently integrate the Cinema3D and CineStar businesses when the local competition processes conclude
- Continued growth in the Netherlands and Poland
- Stand out Hollywood titles in the coming months including a combination of popular franchise sequels, highly anticipated original content and exciting remakes of classic movies

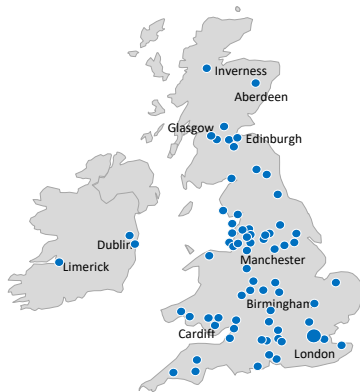


**Further questions can be addressed to**  
**[investor.relations@vuemail.com](mailto:investor.relations@vuemail.com)**

**Provisional Dates: Q2 2019 Investor Call**  
***23 July 2019 1.00pm***

# Appendices

# Vue At A Glance As At 28 February 2019



As at 28 February 2019	UK & Ireland	Germany & Denmark	Poland & Baltics <sup>(1)</sup>	Italy	Netherlands	Taiwan	Group
<b>Sites</b>	<b>90</b>	<b>34</b>	<b>34</b>	<b>36</b>	<b>21</b>	<b>1</b>	<b>216</b>
<i>Multiplex % <sup>(2)</sup></i>	98.9%	97.1%	94.1%	100.0%	76.2%	100.0%	95.8%
<b>Screens</b>	<b>864</b>	<b>296</b>	<b>272</b>	<b>362</b>	<b>121</b>	<b>20</b>	<b>1,935</b>
<i>% screens with stadium seating</i>	97.1%	99.3%	100.0%	98.9%	87.6%	100.0%	97.6%

Source Company Data

(1) **Baltics** consists of our operations in Latvia and Lithuania

(2) **Multiplex** cinema site defined as a site with five or more screens

## Definitions

- **Major Territories Total Market GBOR** is the aggregate of Total Market GBOR for the UK, Germany, Poland, Italy and the Netherlands
- **Vue Major Territories GBOR** is the aggregate of Group GBOR in Vue UK (excluding Ireland), CinemaxX (excluding Denmark), Multikino (excluding Latvia and Lithuania), Italy and the Netherlands
- **Vue Group Admissions** includes all paid and unpaid admissions in the period for UK & Ireland, Germany, Poland, Italy, the Netherlands, the Baltics, Denmark and Taiwan
- **Vue Group ATP** is calculated as total Group Box Office Revenue in the period (excluding VAT) divided by Vue Group Admissions
- **Vue Group SPP** is calculated as total Group Concessions Revenue in the period (excluding VAT) divided by Vue Group Admissions
- **Vue Group Revenue Per Head** is calculated as total Group Turnover for the period (excluding VAT) divided by Vue Group Admissions
- **Restricted Cash** relates to rental deposits held in relation to certain Group cinema sites
- **Pro Forma Consolidated EBITDA** is defined as per the Quarterly Report to Noteholders published at the same time as this presentation

## Currency Rates

- **EUR to GBP** average exchange rates: 1.1293 for Q1 2019; 1.1320 for Q1 2018
- **EUR to GBP** period end rates: 1.1454 at Q1 2019; 1.1330 at Q1 2018
- **PLN to GBP** average exchange rates: 4.8501 for Q1 2019; 4.7165 for Q1 2018
- **PLN to GBP** period end rates: 4.9391 for Q1 2019; 4.7311 for Q1 2018

## Market Data

- **UK**
  - **Q1 2019** the 13 weeks ended 28 February 2019; **Q1 2018** the 13 weeks ended 1 March 2018
  - **YTD 2019** the 13 weeks ended 28 February 2019; ; **YTD 2018** the 13 weeks ended 1 March 2018
  - Market data sourced from IBOE.com/Rentrak for GBOR, DCM for Admissions
- **Germany**
  - **Q1 2019** 1 December 2018 to 28 February 2019; **Q1 2018** 1 December 2017 to 28 February 2018
  - **YTD 2019** 1 December 2018 to 28 February 2019; ; **YTD 2018** 1 December 2017 to 28 February 2018
  - Market data sourced from IBOE.com/Rentrak
- **Poland**
  - **Q1 2019** 1 December 2018 to 28 February 2019; **Q1 2018** 1 December 2017 to 28 February 2018
  - **YTD 2019** 1 December 2018 to 28 February 2019; ; **YTD 2018** 1 December 2017 to 28 February 2018
  - Market data sourced from Boxoffice.pl
- **Italy**
  - **Q1 2019** 1 December 2018 to 28 February 2019; **Q1 2018** 1 December 2017 to 28 February 2018
  - **YTD 2019** 1 December 2018 to 28 February 2019; ; **YTD 2018** 1 December 2017 to 28 February 2018
  - Market data sourced from Cinetel
- **Netherlands**
  - **Q1 2019** 1 December 2018 to 28 February 2019; **Q1 2018** 1 December 2017 to 28 February 2018
  - **YTD 2019** 1 December 2018 to 28 February 2019; ; **YTD 2018** 1 December 2017 to 28 February 2018
  - Market data sourced from IBOE.com/Rentrak

<u>As Acquired to Pro Forma</u>	Quarter	
	3 Months ended 28 February 2019	
	As Acquired	Pro Forma
Turnover	220.9	220.9
Cost of Sales	(76.7)	(76.7)
	144.1	144.1
Admin expenses	(65.5)	(65.5)
Rentals under operating leases	(34.5)	(34.5)
<b>EBITDA</b>	<b>44.1</b>	<b>44.1</b>
Non-recurring / separately reported items	(1.3)	(1.3)
Depreciation	(13.1)	(13.1)
Amortisation	(0.9)	(0.9)
<b>Group operating profit / (loss)</b>	<b>28.9</b>	<b>28.9</b>
<b>EBITDAR<sup>(1)</sup></b>	<b>78.6</b>	<b>78.6</b>

<u>As Acquired to Statutory</u>	Quarter	
	3 Months ended 28 February 2019	
	As Acquired	Statutory
Turnover	220.9	220.9
Cost of Sales	(76.7)	(76.7)
	144.1	144.1
Admin expenses	(65.5)	(65.5)
Rentals under operating leases	(34.5)	(34.5)
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Amortisation	(0.9)	(0.9)
<b>Group operating profit / (loss)</b>	<b>28.9</b>	<b>28.9</b>
<b>EBITDAR<sup>(1)</sup></b>	<b>78.6</b>	<b>78.0</b>

	YTD	
	Year to date 28 February 2019	
	As Acquired	Pro Forma
Turnover	220.9	220.9
Cost of Sales	(76.7)	(76.7)
	144.1	144.1
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<b>EBITDAR<sup>(1)</sup></b>	<b>78.6</b>	<b>78.0</b>

These bridges summarise the key reconciling items between the As Acquired, Pro Forma and Statutory financials

In Q1 2019 the Group's As Acquired and Pro Forma results were aligned.

<sup>(1)</sup> EBITDA excluding Rentals under operating leases.

<u>As Acquired to Pro Forma</u>	Quarter			
	3 Months ended 28 February 2018			
	As Acquired	RealD PF	Showtime Ireland	Pro Forma
Turnover	246.3	-	0.9	247.2
Cost of Sales	(92.3)	-	(0.3)	(92.6)
	154.0	-	0.6	154.6
Admin expenses	(64.1)	0.4	(0.2)	(63.9)
Rentals under operating leases	(34.8)	-	(0.1)	(34.9)
<b>EBITDA</b>	<b>55.1</b>	<b>0.4</b>	<b>0.4</b>	<b>55.9</b>
Non-recurring / separately reported items	(2.5)	(0.4)	-	(2.9)
Depreciation	(14.1)	-	(0.1)	(14.3)
Amortisation	(0.8)	-	-	(0.8)
<b>Group operating profit / (loss)</b>	<b>37.7</b>	<b>-</b>	<b>0.2</b>	<b>37.9</b>
<b>EBITDAR<sup>(1)</sup></b>	<b>89.9</b>	<b>0.4</b>	<b>0.4</b>	<b>90.7</b>

<u>As Acquired to Statutory</u>	Quarter		
	3 Months ended 28 February 2018		
	As Acquired	Non Rec	Statutory
Turnover	246.3	-	246.3
Cost of Sales	(92.3)	-	(92.3)
	154.0	-	154.0
Admin expenses	(64.1)	(0.1)	(64.3)
Rentals under operating leases	(34.8)		(34.8)
<b>EBITDA</b>	<b>55.1</b>	<b>(0.1)</b>	<b>55.0</b>
Non-recurring / separately reported items	(2.5)	0.1	(2.4)
Depreciation	(14.1)	-	(14.1)
Amortisation	(0.8)	-	(0.8)
<b>Group operating profit / (loss)</b>	<b>37.7</b>	<b>-</b>	<b>37.7</b>
<b>EBITDAR<sup>(1)</sup></b>	<b>89.9</b>	<b>(0.1)</b>	<b>89.7</b>

	YTD			
	Year to date 28 February 2018			
	As Acquired	RealD PF	Showtime Ireland	Pro Forma
Turnover	246.3	-	0.9	247.2
Cost of Sales	(92.3)	-	(0.3)	(92.6)
	154.0	-	0.6	154.6
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<b>EBITDA</b>	<b>55.1</b>	<b>0.4</b>	<b>0.4</b>	<b>55.9</b>
Non-recurring / separately reported items	(2.5)	(0.4)	-	(2.9)
Depreciation	(14.1)	-	(0.1)	(14.3)
Amortisation	(0.8)	-	-	(0.8)
<b>Group operating profit / (loss)</b>	<b>37.7</b>	<b>-</b>	<b>0.2</b>	<b>37.9</b>
<b>EBITDAR<sup>(1)</sup></b>	<b>89.9</b>	<b>0.4</b>	<b>0.4</b>	<b>90.7</b>

	YTD		
	Year to date 28 February 2018		
	As Acquired	Non Rec	Statutory
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	154.0	-	154.0
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Rentals under operating leases	(34.8)		(34.8)
<b>EBITDA</b>	<b>55.1</b>	<b>(0.1)</b>	<b>55.0</b>
Non-recurring / separately reported items	(2.5)	0.1	(2.4)
Depreciation	(14.1)	-	(14.1)
Amortisation	(0.8)	-	(0.8)
<b>Group operating profit / (loss)</b>	<b>37.7</b>	<b>-</b>	<b>37.7</b>
<b>EBITDAR<sup>(1)</sup></b>	<b>89.9</b>	<b>(0.1)</b>	<b>89.8</b>

These bridges summarise the key reconciling items between the As Acquired, Pro Forma and Statutory financials

As Acquired to Pro Forma: PF adjustments include Showtime Ireland from Dec 2017 to Feb 2018 for Q1.

In Q1 2018 the Group had £2.9m of non-cash/non recurring items which were excluded from EBITDA on a Pro Forma basis in accordance with definitions contained in the Indenture

<sup>(1)</sup> EBITDA excluding Rentals under operating leases.

## 2014A – LTM Feb-19: Consolidated Income Statement (Constant Perimeter, Constant Currency)

- Admissions growth c.8% from 79.3m to 85.3m driven by strategic initiatives and market factors
- Admissions outperformance in 2015 driven by strong international slate and strong local titles in Germany
- Total Revenue Per Person reduction in 2018 reflecting price optimisation strategy successfully deployed in the UK and mix effect with “high-ATP” Germany outpaced by “low-ATP” Poland
- Stable gross margin 62-64% throughout the period
- Investments in central costs to support increased group scale
- Rent profile reflects new sites and indexation being partially offset by re-gear efficiencies
- EBITDA reduction from 2017 to LTM Feb 2019 driven by short term market softness in Germany and Italy and a generally weak summer caused by the FIFA World Cup and unusually hot weather in Europe for a sustained period

	£m, FYE Nov	2014A <sup>(1)</sup>	2015A	2016A	2017A	2018A	LTM Feb 2019	2014-LTM Q1 19 CAGR
KPIs	Admissions (m)	79.3	85.1	82.8	80.9	85.9	85.3	1.7%
	Number of Sites	210	212	213	214	215	216	0.7%
	Number of Screens	1,855	1,877	1,892	1,915	1,928	1,935	1.0%
	Total Revenue Per Person (£)	9.01	9.50	9.73	9.82	9.25	9.01	-
P&L	Group Revenue	715.0	807.9	805.3	793.8	794.8	768.9	1.7%
	Gross Profit	447.5	501.4	500.5	495.7	501.7	491.4	2.2%
	Gross Profit %	62.6%	62.1%	62.2%	62.4%	63.1%	63.9%	
	Operating Expenses	215.0	225.1	227.9	234.5	245.1	246.5	3.3%
	Operating Expenses % Revenue	30.1%	27.9%	28.3%	29.5%	30.8%	32.1%	
	Rent	127.6	129.7	130.6	133.2	135.9	135.5	1.4%
	Company EBITDA <sup>(2)</sup>	104.9	146.6	142.0	128.0	120.7	109.4 <sup>(3)</sup>	1.0%
	Company EBITDA %	14.7%	18.1%	17.6%	16.1%	15.2%	14.2%	

1. Restated from UK GAAP to IFRS for illustrative purposes  
2. £1.1m of EBITDA from discontinued distribution activities removed in FY 2014  
3. £110.4m LTM EBITDA as reported in Q1 2019 lenders presentation on an actual FX basis. £109.4m represents the same metric stated on a constant currency basis and FX rates at 28 February 2019

## 2014A – LTM Feb-19: Income Statement (Constant Perimeter, Constant Currency)

- Admissions decrease c.7.1% from 15.2m to 11.1m driven by market factors and competitor openings offset by CxX initiatives
- Admissions outperformance in 2015 driven by strong international slate and strong local titles *Fack Ju Göhte 2* and *Honig im Kopf*
- Gross margin improved from 63.3% in 2014 to 64.6% in LTM 2019
- Operating costs as a % of revenues increased from 2015 as Head Office, G&A, R&M and energy are largely fixed in nature
- Rent profile reflects increases in 2018 on a portfolio of 4 sites with various commercial benefits to CinemaxX and general rent indexations partly offset by regear efficiencies
- EBITDA reduction in FY 2018 and LTM Feb 2019 driven by short term market softness and a generally weak summer caused by the FIFA World Cup and unusually hot weather for a sustained period

	£m, FYE Nov	2014A <sup>(1)</sup>	2015A	2016A	2017A	2018A	LTM Feb 2019	2014-LTM Q1 19 CAGR
KPIs	Admissions (m)	15.2	16.5	14.1	13.4	11.5	11.1	(7.1%)
	Number of Sites	33	33	33	33	33	34	0.7%
	Number of Screens	285	289	289	289	289	296	0.9%
	Total Revenue Per Person (£)	12.15	12.38	12.99	13.38	13.62	13.25	2.1%
P&L	Revenue	185.3	204.5	183.8	179.6	156.0	147.5	(5.2%)
	Gross Profit	117.3	127.8	117.1	115.0	100.2	95.2	(4.8%)
	Gross Profit %	63.3%	62.5%	63.7%	64.0%	64.2%	64.6%	
	Operating Expenses	53.6	54.1	52.2	53.4	52.9	52.6	(0.4%)
	Operating Expenses % Revenue	28.9%	26.5%	28.4%	29.7%	33.9%	35.7%	
	Rent	27.8	25.4	25.2	25.3	27.9	28.0	0.2%
	Company EBITDA Excl. Corporate Costs	35.9	48.2	39.7	36.4	19.4	14.6	(19.1%)
	Company EBITDA %	19.4%	23.6%	21.6%	20.2%	12.4%	9.9%	

## 2014A – LTM Feb-19: Income Statement (Constant Perimeter, Constant Currency)

- Admissions growth of 15.8% (3.5% CAGR) from 64.1m to 74.2m driven by growth in all markets except for Italy, which, similar to Germany, experienced a very weak summer in 2018
- Growth in sites and screens driven by UK/I with additional screens in the Netherlands and estate upgrades in Poland and the Netherlands (old sites closed and new multiplexes opened)
- Stable gross margin 62-64%
- Operating expenses include impact of the introduction of minimum wage legislation (UK mid 2016, Poland 2017)
- The rent profile reflects new sites and indexation partly offset by re-gear efficiencies
- EBITDA growth from 2014 to 2018 driven by growth in all markets except Italy (due to weak market in 2018); Reduction in EBITDA from 2018 to LTM Feb-19 due to reduction in UK/I with very strong Q1 2018 quarter which included *Star Wars: The Last Jedi* dropping out of period; however all other territories marginally higher

	£m, FYE Nov	2014A <sup>(1)</sup>	2015A	2016A	2017A	2018A	LTM Feb 2019	2014-LTM Q1 19 CAGR
KPIs	Admissions (m)	64.1	68.5	68.7	67.4	74.5	74.2	3.5%
	Number of Sites	177	179	180	181	182	182	0.7%
	Number of Screens	1,570	1,588	1,603	1,626	1,639	1,639	1.0%
	Total Revenue Per Person (£)	8.27	8.80	9.05	9.11	8.58	8.38	0.3%
P&L	Group Revenue	529.6	603.4	621.5	614.2	638.8	621.4	3.8%
	Gross Profit	330.2	373.6	383.4	380.7	401.5	396.1	4.4%
	Gross Profit %	62.3%	61.9%	61.7%	62.0%	62.8%	63.8%	
	Operating Expenses	161.4	171.0	175.6	181.1	192.2	193.9	4.4%
	Operating Expenses % Revenue	30.5%	28.3%	28.3%	29.5%	30.1%	31.2%	
	Rent	99.8	104.3	105.4	107.9	108.0	107.5	1.8%
	Company EBITDA Excl. Corporate Costs <sup>(1)</sup>	69.0	98.3	102.4	91.7	101.3	94.8	7.8%
	Company EBITDA %	13.0%	16.3%	16.5%	14.9%	15.9%	15.3%	

Note

1. Restated from UK GAAP to IFRS for illustrative purposes