

8 October 2004

Chairman's Address to General Meeting

Over recent months the Company has announced that, to meet its target issued capital of an aggregate of between 235 million and 285 million ordinary and preference shares, the Company intends to undertake further on-market buy-backs of up to between 36.5 and 86.5 million shares of both classes.

With only approximately 110 million preference shares on issue, the Directors believe that in order to achieve the Company's capital management objectives, it is likely that it may be necessary to buy-back ordinary shares as well as preference shares.

As a result of the on-market buy-back of ordinary shares conducted by the Company earlier this year, the Company has bought back the maximum number of ordinary shares it is permitted to buy-back at this time without shareholder approval, being 10% of the smallest number of ordinary shares on issue at any time in the last 12 months.

To enable the Company to buy-back further ordinary shares if it decides to do so, the Directors convened this meeting to ask shareholders to pass a resolution approving the buy-back of up to a further 43 million ordinary shares (being approximately 20.34% of the current issued ordinary shares) on-market in the twelve months following the date of this meeting.

All ordinary and preference shareholders are entitled to vote on the resolution.

However, the Company has provided an undertaking to the Takeovers Panel that the Company will not buy-back any ordinary shares under the buy-back contemplated by the resolution if the resolution would not have been passed but for Village Roadshow Corporation Limited or its associates voting in favour of it.

The resolution does not apply to buy-backs of preference shares. The Company may undertake on-market buy-backs of preference shares at any time without shareholder approval.