

21 June 2001

Village Roadshow Exits France and Consolidates its Ownership in Greece

Continuing the restructuring of its cinema exhibition division, Village Roadshow announced today the sale of its France operations, and the agreement to purchase its partner's equity in two cinema sites in Greece that were not fully owned.

In France, Village Roadshow has completed its exit from the territory with the sale of 18 screens across 3 sites to Pathé Palace. The sale also includes Village's development rights to further sites in France.

Managing Director Graham Burke commented, 'I am very pleased to be selling our French circuit to Pathé, one of Europe's leading cinema exhibitors whose high standards will ensure the continued success of these sites.'

In Greece, the move from 50% to full ownership of the 10 screen site in Maroussi and the 9 screen site in Salonica will consolidate the ownership and simplify the management structure of the group's Greek operations and help to drive further value from this important territory.

Mr Burke commented, 'The restructuring of the exhibition division has progressed on many fronts. These include reducing the number of operating territories, improving efficiency and simplifying operating and management structures.

'Clearly we now have made significant headway with the number of territories down from 20 to 15 and the creation of a management structure more aligned to the smaller circuit.' Mr Burke added

Gross sale proceeds of approximately \$60 million were realised from the sale of the group's France operations with net cash of \$40 million generated following the repayment of \$20 million in debt. The sale price is close to Village's book value for the circuit.

Moving to full ownership of the two sites in Greece will involve a consideration of approximately \$25 million.

Further Information:
Andrew Bowden
Group Manager Investor Relations
(03) 9667 6632