29 September 2004

GENERAL MEETING – 8 OCTOBER 2004
UPDATE : THE SOURCE OF FUNDS FOR THE BUY-BACK

As disclosed in the Booklet of 3 September 2004 giving notice of the General Meeting of Village Roadshow Limited to be held on Friday 8 October 2004, the Company had not arranged the financing for the Buy-Back referred to in the Booklet.

The Booklet provides further as follows:

"There are, however a number of transactions which, if completed, should make funds available for the buy-back of shares in the Company, including the Buy-Back
:

- *negotiations continue for the sale of VRL's interest in a cinema joint venture in Taiwan; and*
- *proposals in respect to new borrowings for some of VRL's cinema interests are currently under negotiation with financiers.*

The Directors believe that there are reasonable grounds to expect that these transactions will be completed in the next few months. In the event that binding legal commitments are entered into in respect of these transactions, then the Directors may elect to utilise then existing cash reserves and undrawn credit facilities to finance the Buy Back pending completion of such transactions.

If all of these transactions are successful, it is expected that funding of up to $100 million will be available to VRL for the buy-back of shares pursuant to its capital management objectives."

The Company advises that the negotiations have now been completed and binding legal commitments have been entered into today with a banking syndicate led by ANZ Bank in respect to a new finance facility for the Company's interests in the Australian multiplex joint venture with Greater Union ("Australian Cinema Facility).

The Australian Cinema Facility has an initial limit of $60m. Drawdown under this facility is subject to satisfaction of normal commercial conditions precedent. An additional $20m may be available for drawdown subject to further discussions with ANZ Bank. No commitment or other fees are payable in respect to this additional amount until it is available for drawdown.

The Australian Cinema Facility is for a fixed term of 5 years with semi-annual principal reductions of either $3.75m ($60m drawdown) or $5m ($80m drawdown) commencing in June 2006 with a bullet of either $33.75m ($60m drawdown) or $45m ($80m drawdown) at the end of 5 years. Funds for the Buy-Back are expected to be available for drawdown from the Australian Cinema Facility as needed.

Negotiations are continuing for the sale of the Company's interest in the cinema joint venture in Taiwan.