

19 January 2006

## VILLAGE ROADSHOW ACQUIRES STRATEGIC STAKE IN SYDNEY ATTRACTIONS GROUP

Village Roadshow Limited ("VRL") announced today that it had acquired a 14.9% shareholding in Sydney Attractions Group comprising 3.25 million shares.

Sydney Attractions Group is the owner and operator of leading tourist attractions Sydney Aquarium, Oceanworld Manly, and the Sydney Tower and "Skywalk", and is currently developing Sydney Wildlife World.

VRL's Chairman, Robert Kirby said, "Sydney Attractions Group has assembled a world class portfolio of leisure assets in Sydney, and is a strong business fit with our market leading theme parks business on the Gold Coast. We consider the acquisition to be highly strategic and long term and there is no consideration by VRL to make a takeover bid for the Company. VRL also believes there are co-marketing opportunities, etc".

Under the new A-IFRS accounting rules, the investment is required to be marked to the current market price on initial recognition. This will result in a fair value write-down of the investment via the Income Statement of approximately \$5 million. The investment will be marked to market at each reporting date with any movement being reflected in a reserve account in Shareholders Equity.

Taking this fair value write-down into account, the VRL Group profit after tax for the year ending 30 June 2006 will be approximately break-even. This also takes into account the impact of a decline in earnings against budget from the Exhibition Division in the December half.

The break-even result is after accounting for approximately \$41 million of one-off, non-recurring items relating to:

- Restructure of Production Division with the Crescent Group;
- Legal settlement of USA litigation;
- Fair value write-down of Sydney Attractions Group investment.

The restructuring and legal settlement write-off's have been previously disclosed to the market.