



20 December 2006

TAX RULING ON PROPOSED CAPITAL RETURN

On 13 December, 2006 the Directors of Village Roadshow Limited ("VRL") announced that they had received a draft Class Ruling from the Australian Taxation Office ("ATO") regarding the income tax treatment of the proposed capital return of 15 cents per share to all shareholders.

VRL is pleased to announce that the ATO has today issued its final Class Ruling confirming that no part of the proposed capital return will be taken to be a dividend for income tax purposes.

Full details of Class Ruling CR 2006/133 are available on the ATO's website at:

www.ato.gov.au