

16 January 2009

**VILLAGE ROADSHOW ENTERTAINMENT GROUP  
FINANCING UPDATE**

Village Roadshow Limited ("VRL") has approximately a 40% interest in Village Roadshow Entertainment Group, which owns Village Roadshow Pictures ("VRP"). As previously advised, Executives of that Group are renegotiating the existing VRP film funding facility. The refinancing process continues and the Company believes that the facility should be successfully concluded in February 2009.

As outlined in the Chairman's address to the 2008 AGM, it was anticipated VRL may provide additional support of up to US\$40 million to the Village Roadshow Entertainment Group as it goes through the refinancing of existing debt facilities. To assist this current refinancing process, and in partial satisfaction of its pre-existing obligations, VRL will now contribute US\$26.5 million to VRP. This funding will be used by Village Roadshow Pictures to reduce its external debt obligations. On completion of the VRP refinancing, all or part of the US\$26.5 million may be returned to VRL, or there may be a requirement to top up the contribution, up to the US\$40 million referred to above.

VRL does not believe that any loss will result from the contribution of US\$26.5 million. The contribution of the US\$26.5 million will also reduce VRL's existing contingent liabilities (outlined in VRL's 2008 Annual Report) by an equivalent amount.

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