

Board of Directors

Robert G Kirby

Chairman, Executive Director, Age 54

First joined the Board on 12 August 1988, reappointed 5 July 2001

Holds a Bachelor of Commerce with over 30 years experience in the entertainment and media industry. Through the launch of Roadshow Home Video, Mr. Kirby was the driving force behind the Australian video revolution of the 1980's and 1990's. He is a pioneer of new cinema concepts in both Australia and internationally and has been at the forefront of Village Roadshow's successful diversification into theme parks, radio and production. Director Austereo Group Limited and Chairman of Village Roadshow Corporation Limited. Currently Deputy Chairman of Peter MacCallum Cancer Foundation and Member of Patrons Council, Epilepsy Foundation, and Patron of Victorian Arts Centre.

Member Executive Committee
 Chairman Nomination Committee

Other Listed Public Company Directorships in previous 3 years:
 Austereo Group Limited, since 19 June 2001

John R Kirby

Deputy Chairman, Executive Director, Age 58

Member of the Board since 12 August 1988

Holds a Bachelor of Economics and is a Certified Practising Accountant with over 30 years experience in the industry. Deputy Chairman of Village Roadshow Limited 1994 to 1998, and from May 2002. Chairman Village Roadshow Limited 1990 to 1994 and 1999 to 2002. Director, Austereo Group Limited, Sea World Management Limited and Village Roadshow Corporation Limited.

Member Executive Committee

Other Listed Public Company Directorships in previous 3 years:
 Austereo Group Limited, since 19 January 2001
 Penfolds Buscombe Limited, from 14 January 2002 to 9 September 2002

Graham W Burke

Managing Director, Executive Director, Age 63

Member of the Board and Managing Director since 9 September 1988

Managing Director Village Roadshow Limited, a position he has held since 1988 with unrivalled experience in the entertainment and media industries. Mr Burke has been one of the strategic and creative forces behind Village Roadshow's development and founded Roadshow Distributors with Roc Kirby. He was also a founding director of radio station 2Day FM, and spent four years as the original Commissioner of the Australian Film Commission. Director Austereo Group Limited, Sea World Management Limited and Village Roadshow Corporation Limited.

Chairman Executive Committee
 Member Remuneration Committee

Other Listed Public Company Directorships in previous 3 years:
 Austereo Group Limited, since 19 January 2001

VILLAGE ROADSHOW LIMITED
ABN 43 010 672 054
Officers' Profiles continued

Board of Directors continued

Peter E Foo

Finance Director, Executive Director, Age 50

Member of the Board since 12 February 1998

Holds a Bachelor of Economics with 27 years experience in the management and finance of all facets of the group. Joined Village Roadshow in 1978 and has served as Finance Director since 1998. Director Austereo Group Limited, Sea World Management Limited and all Village Roadshow's major subsidiaries.

Member Executive Committee

Other Listed Public Company Directorships in previous 3 years:

Austereo Group Limited, since 25 February 2004

Peter M Harvie

Executive Director, Age 66

Member of the Board since 20 June 2000

Executive Chairman, Austereo Group Limited with over 45 years experience in the advertising, marketing and media industries. First entered radio in 1993 as Managing Director of the Triple M network before becoming Managing Director of the enlarged group following its merger with Austereo in 1994. Founder and Managing Director of the Clemenger Harvie advertising agency from 1974 to 1993. Serves on the Board of other Austereo joint ventures and is a Director, Mazda Foundation Limited and Art Exhibitions Australia Limited.

Member Executive Committee

Other Listed Public Company Directorships in previous 3 years:

Austereo Group Limited, since 16 January 2001

William J Conn

Independent Non-Executive Director, Age 59

Member of the Board since 12 March 1992

Holds a Bachelor of Commerce (Hons) from the University of Melbourne and a MBA from Columbia University. Mr Conn has over 35 years experience in investment banking with Potter Warburg Limited and McIntosh Securities Limited. He is Chairman of Grand Hotel Group, Palm Springs Limited and the Foundation for Young Australians. He is Director of the National Academy of Music and is a consultant to Merrill Lynch International (Australia) Limited.

Chairman Audit Committee

Chairman Remuneration Committee

Member Nomination Committee

Other Listed Public Company Directorships in previous 3 years:

Grand Hotel Group Limited, since 17 April 1996

Palm Springs Limited, since 26 March 2001

Homeloans Limited, from 11 January 2001 to 30 June 2003

Becton Property Group Limited, since 1 July 2005

Berren Asset Management Limited (as Responsible Entity for the International Wine Investment Fund), since 3 November 2004

VILLAGE ROADSHOW LIMITED
ABN 43 010 672 054
Officers' Profiles continued

Board of Directors continued

Peter D Jonson

Independent Non-Executive Director, Age 59

Member of the Board since 24 January 2001

Holds a Bachelor of Commerce and Master of Arts Ph D from the London School of Economics. Following a 16 year career with the Reserve Bank of Australia including 7 years as Head of Research, entered the private sector with roles at leading Australian financial institutions. Positions included Head of Research, James Capel Australia; Managing Director, Norwich Union Financial Services; and Chairman, ANZ Funds Management. Currently Chair of Bionomics Ltd, Australian Institute for Commercialisation Ltd, Australian Aerospace and Defence Innovations Ltd and the Federal Government's Cooperative Research Centre Committee. Serves on the Boards of other companies including Sequoia Capital Management Ltd and Pro Medicus Ltd.

Member Audit Committee

Other Listed Public Company Directorships in previous 3 years:

Bionomics Ltd, since 11 November 2004

Pro Medicus Limited, since October 2000

D Barry Reardon

Independent Non-Executive Director, Age 74

Member of the Board since 24 March 1999

Holds a Bachelor of Arts, Holy Cross College and MBA, Trinity College. Over 40 years in the motion picture business. Formerly Executive Vice President and Assistant to the President, Paramount Pictures. Between 1975 and 1978, Mr Reardon held the positions of Executive Vice President, General Cinema Theatres and between 1978 and 1999 was President, Warner Bros. Distribution. Serves on the board of various United States companies and organisations and is a Director of Village Roadshow Pictures International Pty Ltd.

Member Audit Committee

Member Remuneration Committee

Member Nomination Committee

Other Listed Public Company Directorships in previous 3 years:

Loewe Cineplex Inc., since September 2003

Tribune Media Inc., since 1999

Company Secretaries

Philip S Leggo

Group Company Secretary, Age 51

A Chartered Accountant holding a Bachelor of Business Studies from Royal Melbourne Institute of Technology and is a Fellow of the Australian Institute of Company Directors. Mr Leggo has over 20 years experience in the media and entertainment industries, is a member of the Company's Executive Committee and Secretary and Director of all of Village Roadshow's major subsidiaries.

Shaun L Driscoll

Co Company Secretary & Group Manager Corporate Services, Age 50

Holds a Bachelor of Arts and Bachelor of Laws from University of Natal and is a Fellow of the Institute of Chartered Secretaries. Mr Driscoll has diverse industry experience including over 15 years with Village Roadshow and is also Secretary of all of Village Roadshow's major subsidiaries and associated entities.

VILLAGE ROADSHOW LIMITED
ABN 43 010 672 054
Remuneration Report

This report outlines the remuneration arrangements in place for Directors and senior managers of the Company and of other senior managers of the Village Roadshow Limited consolidated entity for the year ended 30 June 2005 in accordance with Section 300A of the *Corporations Act 2001*. The remuneration of 'specified Directors' of the Company and the 'specified executives' with the greatest authority for the strategic direction and management of the consolidated entity as required by AASB 1046 are set out in Note 26 of the Financial Report.

1. Board Policy

The performance of the Company depends upon the quality of its Directors, and its Secretaries and senior executives ("senior managers"). To prosper the Company must attract, motivate and retain highly skilled Directors and senior managers. The remuneration structure is designed to strike an appropriate balance between fixed and variable remuneration, rewarding capability and experience and providing recognition for contribution to the Company's overall goals and objectives.

To this end the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract and retain high calibre Directors and senior managers who are dedicated to the interests of the Company;
- Link executive remuneration to the achievement of the Company's financial and operational performance;
- All Executive Directors and senior managers have a portion of their remuneration 'at risk' by having the opportunity to participate in the Company's bonus scheme where specified criteria are met including criteria relating to profitability, cash flow, share price growth or other pre-determined personal performance indicators and benchmarks; and
- Establish appropriate, demanding, personalised performance hurdles in relation to variable executive remuneration and bonuses.

The framework of the Company's remuneration policy provides for a mix of fixed pay and variable ('at risk') pay:

- Fixed Remuneration;
- Other benefits and compensation such as superannuation; and
- Variable Remuneration:
 - Short Term performance Incentive Bonus ('STI'); and
 - Long Term equity-linked performance Incentive ('LTI').

2. Remuneration Committee

The Remuneration Committee's Charter provides for the review of remuneration of the Company's Directors and senior managers, including any equity participation by Executive Directors and senior managers. The Committee makes recommendations and takes external advice from time to time on the remuneration of the Executive Directors and senior managers with the overall objective of motivating and appropriately rewarding performance.

The Charter, role, responsibilities, operation and membership of the Remuneration Committee of the Board are set out in the "Corporate Governance" section of the Company's Annual Report.

The remuneration arrangements of the separately ASX listed controlled entity, Austereo Group Limited ("Austereo"), are determined by that entity's Remuneration Committee.

3. Non-executive Director Remuneration

a) Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain appropriately qualified and experienced Non-executive Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders. The Company operates a complex business in fiercely competitive markets and the duties and obligations of Non-executive Directors are becoming increasingly onerous.

b) Structure

The Constitution of the Company and the ASX Listing Rules specify that the aggregate remuneration of Non-executive Directors shall be determined from time to time by shareholders in general meeting. An amount not exceeding the annual amount so determined is then divided between the Non-executive Directors as agreed.

The latest determination was at the Annual General Meeting held on 24 November 1998 when shareholders approved an aggregate remuneration level for Non-executive Directors of \$800,000 per annum. This aggregate fee level includes any remuneration paid to Non-executive Independent Directors who may serve on Boards of the consolidated entity, including those Non-executive Independent Directors of Austereo, which are paid directly by those entities. Aggregate payments to Non-executive Directors have never exceeded the total pool approved by shareholders.

Each Non-executive Director receives a fee for being a Director of the Company. An additional fee is also paid for each Board Committee on which a Non-executive Director sits. The payment of additional fees for serving on a Committee recognises the additional time commitment required by Directors who serve on one or more Committees.

3. Non-executive Director Remuneration continued

Non-executive Directors' fees do not incorporate any bonus or incentive element.

During the period to 31 March 2005, Non-executive Independent Directors were paid at the rate of \$60,000 per annum plus \$12,000 per annum for each Board Committee on which they had served, payable quarterly in arrears.

From 1 April 2005, this annual rate has been increased to \$70,000 per annum plus \$15,000 per annum for each Board Committee on which they serve. When undertaking the review process the Board benchmarked the fees paid to Non-executive Directors of comparable companies.

The Company does not have and never has had a retirement benefit scheme for Non-executive Directors, other than their individual statutory superannuation benefits which are included as part of their total Director's fee remuneration.

In addition, it is considered good governance for Directors to have a stake in the Company on whose board he or she sits and the Company encourages Executive and Non-executive Directors to hold shares in the Company. Subject to any necessary approvals as may be required by law or ASX Listing Rules, Directors may be invited from time to time to participate in share and option plans offered by the Company.

The various share and option entitlements of all Directors are advised to the Australian Stock Exchange in accordance with the Listing Rules and Corporations Act requirements and are set out on page 1 of the Directors' Report.

The remuneration of Non-executive Independent Directors for the period ending 30 June 2005 is detailed on page 19 of this Remuneration Report.

4. Executive Director and Senior Manager Remuneration

The names and positions of the Executive Directors, and of the five highest paid senior managers of the Company and of the consolidated entity for the period ending 30 June 2005 ("relevant senior managers") are detailed on pages 19 to 21 of this Remuneration Report. Note that the five senior managers of the consolidated entity with the highest remuneration includes the Company executives Messrs G. Basser and T. Pane.

a) Objective

The Company aims to reward Executive Directors and senior managers with a level and mix of remuneration commensurate with the seniority of their position and responsibilities within the Company, so as to:

- reward for Company or divisional performance against targets set by reference to appropriate benchmarks;
- align the interests of the Executive Directors and senior managers with those of the Company and of its shareholders;
- link their rewards to the strategic goals and performance of the Company or relevant division; and
- ensure total remuneration is competitive by market standards.

b) Structure

In determining the level and make-up of Executive Director and senior manager remuneration, the Remuneration Committee seeks independent advice of external consultants as required to advise on market levels of remuneration for comparable roles from time to time.

The remuneration of Executive Directors and senior managers consists of one or more of the following key elements:

- Fixed Remuneration;
- Other compensation such as superannuation; and
- Variable Remuneration:
 - Short Term Incentive Bonus ('STI'); and
 - Long Term Incentive ('LTI').

The proportion of fixed remuneration and variable remuneration (potential short term and long term incentives) is monitored by the Remuneration Committee, taking into account the Company's then present circumstances and its future short-term and longer-term goals.

The details of the fixed and variable components (and the relevant percentages) of each individual Executive Director and relevant senior manager of the Company and of the consolidated entity are set out on pages 19 to 21 of this Remuneration Report.

The remuneration and terms and conditions of employment for the Executive Directors and senior managers are often but not always specified in individual contracts of employment. The details of each contract of the relevant Executive Director and relevant senior managers are outlined on pages 17 and 18 of this Remuneration Report.

4. Executive Director and Senior Manager Remuneration continued

c) Fixed Remuneration

i) Objective

The level of fixed remuneration is set so as to provide a base level of remuneration which is appropriate to the seniority of the position and to be competitive in the market.

Fixed remuneration (defined as the base remuneration payable to an individual and which is not dependent on the outcome of specific criteria) is reviewed annually by the Remuneration Committee. As noted earlier, the Committee has access to independent external advice.

ii) Structure

The Executive Directors and senior managers receive their fixed (primary) remuneration in a variety of forms including cash, superannuation and taxable value of fringe benefits such as motor vehicles and other non-cash benefits. The fixed remuneration component of each Executive Director and relevant senior manager for the period ended 30 June 2005 is detailed on pages 19 to 21 of this Remuneration Report.

d) Variable Remuneration — Short Term Incentive ('STI') Bonus

i) Objective

The objective of the STI bonus program is to link the achievement of the Company or divisional annual operational targets with the remuneration received by the Executive Directors and senior managers charged with meeting those targets. The total potential STI bonus available is set at a level so as to provide sufficient incentive to the Executive Director or senior manager to achieve the operational targets and such that the cost to the Company is reasonable in the circumstances.

ii) Structure

All Executive Directors and senior managers are eligible to participate in the Company's annual STI bonus scheme after at least six months of service. Actual STI bonus payments made to each Executive Director and senior manager depend on the extent to which specific budgeted operating targets or other criteria set at the beginning of each financial year are met.

The Company has predetermined performance benchmarks which must be met in order to trigger payments under the STI bonus scheme. These performance conditions were chosen so as to align the STI payments to the operational performance of the Company or the division.

The operational targets consist of a number of Key Performance Indicators ("KPI's") as part of the annual budget setting processes for financial measures of performance supporting the Company's annual targets. For Messrs R.G. Kirby, J.R. Kirby and G.W. Burke, these measures include criteria relating to profitability, cash flow, and share price growth. In 2005 Mr. P.M. Harvie elected to defer his STI bonus until further notice. Recommended STI bonus payments for Executive Directors and senior managers are approved by the Remuneration Committee.

As future STI bonuses are dependent on the future share price of the Company's securities and the financial performance of the consolidated entity, it is not possible to estimate the minimum or maximum bonuses that might be payable in subsequent financial years.

The STI bonus payments made to each of the Executive Directors and relevant senior managers in the financial period ending 30 June 2005 are detailed on pages 19 to 21 of this Remuneration Report.

e) Variable Remuneration — Long Term Incentive ('LTI')

i) Objective

The objective of the LTI plan is to reward Executive Directors and senior managers in a manner which aligns this element of remuneration with the creation of shareholder wealth.

Over the past five years there have been four different LTI plans within the consolidated entity:

- The issue of options over ordinary shares;
- The Company's Executive Share Plan and Loan Facility ('ESP');
- Austereo Group Limited's Executive Share Plan and Loan Facility ('AESP'); and
- The Company's legacy Executive and Employee Option Plan ('EOP').

Participation in the LTI plans listed above for the Company's specified directors and specified executives are set out in Note 26 of the Financial Report.

4. Executive Director and Senior Manager Remuneration continued

The LTI plans are not designed specifically to remunerate Executive Directors or senior managers, unlike their fixed remuneration or their STI bonus arrangements, and have no specific performance conditions for the vesting of such benefits other than tenure and share price performance. Instead the LTI's are intended to encourage a sense of ownership with those Executive Directors and senior managers to whom the LTI's are granted and to align their long term interests with those of shareholders, and may be regarded as a partial retention mechanism by the Company.

The benefits, if any, under the LTI's are linked to the performance of the Company via its share price. The Company considers that the five year period over which the ESP shares (or four year period for the AESP as applicable) are 'earned' and the long term horizon of the loans from the consolidated entity for the ESP, AESP and EOP for the duration of Executive Directors' and senior managers' employment are appropriate given the shorter term performance hurdles to which they are subject. Similarly, the three, four and five year vesting periods of the ordinary options granted to Mr. G.W. Burke and the significant uplift of the exercise price thresholds of each tranche of options are designed to encourage performance from the Company's Managing Director and to closely align Mr. Burke's interests with those of shareholders.

The details of these various LTI plans are detailed below.

ii) Structure

A) Option Plan for Managing Director

The LTI grant to Mr. G.W. Burke was delivered in the form of six million ordinary share options, approved by special resolution of the Company's shareholders on 15 May 2001.

Two million options are exercisable at an exercise price of \$3.00 not earlier than 15 May 2004; two million options are exercisable at an exercise price of \$4.00 not earlier than 15 May 2005 and two million options are exercisable at an exercise price of \$5.00 not earlier than 15 May 2006. All the options are exercisable no later than 30 November 2007 or two years following the cessation of Mr. Burke's employment with the Company, whichever is the earlier.

No options have been granted, exercised or lapsed during the reporting period. Details of unissued shares under option, and shares issued as a result of the exercise of options are set out in Note 20 of the Financial Report. Details of share and option transactions in relation to specified Directors and specified executives of the Company are set out in Note 26 of the Financial Report.

The Company has used the fair value measurement provisions of AASB 1046 *Director and Executive Disclosures by Disclosing Entities* and the pending AASB 2 *Share-based Payment* prospectively for all options granted to Directors and relevant executives, which have not vested as at 1 July 2003. The fair value of such grants is being amortised and disclosed as part of Director and senior manager remuneration on a straight-line basis over the vesting period. No adjustments have been or will be made to reverse amounts previously disclosed in relation to options that never vest (i.e. forfeitures).

From 1 July 2003, options granted as part of Director and senior manager remuneration have been valued using the Black Scholes option-pricing model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option.

The fair value of each option is estimated on the date of grant using the Black Scholes option-pricing model with the following assumptions used for grants made on 15 May 2001:

- Expected volatility: 30%;
- Historical volatility: 30%;
- Risk-free interest rate: 5.53% (options vesting 15 May 2004) and 5.66% for the remainder;
- Expected life of options: 5 years (options vesting 15 May 2004) and 6 years for the remainder.

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The resulting fair values per option for those options vesting after 1 July 2003 are:

Number of Options	Grant Date	Vesting Date	Fair Value
2,000,000	15 May 2001	15 May 2004	\$0.172
2,000,000	15 May 2001	15 May 2005	\$0.152
2,000,000	15 May 2001	15 May 2006	\$0.107

Currently, these fair values are not recognised as expenses in the financial statements. However, should these grants be expensed, they would be amortised over the vesting periods resulting in an increase in employee benefits expense of \$111,234 for the 2005 financial year (2004: \$222,626). Note that no adjustments to these amounts have been made to reflect estimated or actual forfeitures (i.e. options that do not vest). The notional adjusted equity value of Mr. Burke's options and the percentage of his total remuneration is detailed on page 19 of this Remuneration Report.

4. Executive Director and Senior Manager Remuneration continued

B) Executive Share Plan and Loan Facility ('ESP')

The Company's ESP was approved by shareholders on 19 November 1996 and allows for the issue of up to 5% of the Company's issued A Class Preference shares to executives and employees of the consolidated entity and significant associated entities. Directors of the Company are not eligible to participate in the ESP. All grants to Mr. P.M. Harvie under the ESP were in his capacity as an executive of the consolidated entity and were prior to him becoming a Director of the Company.

Offers are at the discretion of the Directors and fully paid A Class preference shares are issued at the 5-day weighted average price on the market prior to allotment, rounded up to the next whole cent. The shares are held directly by the executive who pays for the allotment by obtaining a loan from the consolidated entity which holds the ESP shares as security.

The shares are 'earned' at the rate of 20% per year over five years from date of grant. The loan bears interest at ten cents per share per annum and the first ten cents of every dividend per share is used to repay the interest accrued and 50% of the remaining dividend per share is used to repay the capital amount of the loan.

If the executive resigns or is dismissed, the restricted and 'unearned' shares are forfeited and the loan on the remaining unrestricted shares must be repaid with six months or such other time as approved by Directors. In circumstances where the market value of the remaining ESP shares at the end of the six month period is less than the amount owing on the loan, then the Company will buy-back the shares and cancel them in repayment of the loan without further recourse to the executive.

C) Austereo Group Limited's Executive Share Plan and Loan Facility ('AESP')

The AESP, and the specific grant of shares to Mr. P.M. Harvie and Mr. M.E. Anderson, was approved by shareholders of Austereo on 19 January 2001 and allows for the issue of up to 5% of Austereo's issued ordinary shares to executives and employees of the Austereo consolidated entity. Executive Directors of Austereo are eligible to participate in the AESP.

Offers are at the discretion of the Austereo Directors and fully paid ordinary shares are issued at the five-day weighted average price on the market prior to allotment, rounded up to the next whole cent. The shares are held directly by the Austereo executive who pays for the allotment by obtaining a loan from the Austereo consolidated entity which holds the AESP shares as security.

The shares are 'earned' at the rate of 25% per year over four years from date of grant. The loan bears interest at six cents per share per annum and the first six cents of every dividend per share is used to repay the interest accrued and 50% of the remaining dividend per share is used to repay the capital amount of the loan.

If the executive resigns or is dismissed, the restricted and 'unearned' shares are forfeited and the loan on the remaining unrestricted shares must be repaid with six months or such other time as approved by Austereo's Directors. In circumstances where the market value of the remaining AESP shares at the end of the six month period are less than the amount owing on the loan, then Austereo will buy-back the shares and cancel them in repayment of the loan without further recourse to the executive.

D) Executive and Employee Option Plan ('EOP')

The Company's EOP was approved by shareholders in November 1993 and allows for the issue of options over the Company's issued ordinary and A Class preference shares to executives and employees of the consolidated entity. Directors of the Company were not eligible to participate in the EOP. All grants to Mr. P.M. Harvie under the EOP were in his capacity as an executive of the consolidated entity and were prior to him becoming a director of the Company. The options were exercisable at the end of years one, two, three, four and five after the date of grant and were often exercised by obtaining a loan from the consolidated entity which held the resulting shares as security.

Dividends are used to repay the interest accrued with any surplus dividend payment used to repay the capital amount of the loan. The EOP is a legacy equity-linked performance plan as further allotments under the EOP were discontinued when the ESP was introduced in 1996, but existing shares and loans held by participants remain.

E) Holdings of Executive Directors and Senior Managers

Other than the allotment of 150,000 A Class preference shares on 17 March 2005 granted to Mr. P.S. Leggo under the ESP, there have been no allotments to Executive Directors or senior managers under the ESP, AESP or EOP during the financial period.

The loans held by specified Directors and specified executives of the Company, including their personally-related entities, under the ESP, AESP or EOP during the financial period are set out in Note 26 of the Financial Report.

Allotments to any specified Director or specified executive including their personally related entities under the ESP, AESP or EOP during the financial period and the relevant loans during the financial period are set out in Note 26 of the Financial Report.

Discussions are continuing between the Company and Mr. P.E. Foo for the potential issue of one million ordinary shares and one million A Class preference shares under a Senior Executive Share Plan and Loan Facility on similar terms and conditions as the Company's existing ESP. It is anticipated that this Senior Executive Share Plan and Loan Facility will be put to the Company's shareholders for approval at a future general meeting.

4. Executive Director and Senior Manager Remuneration continued

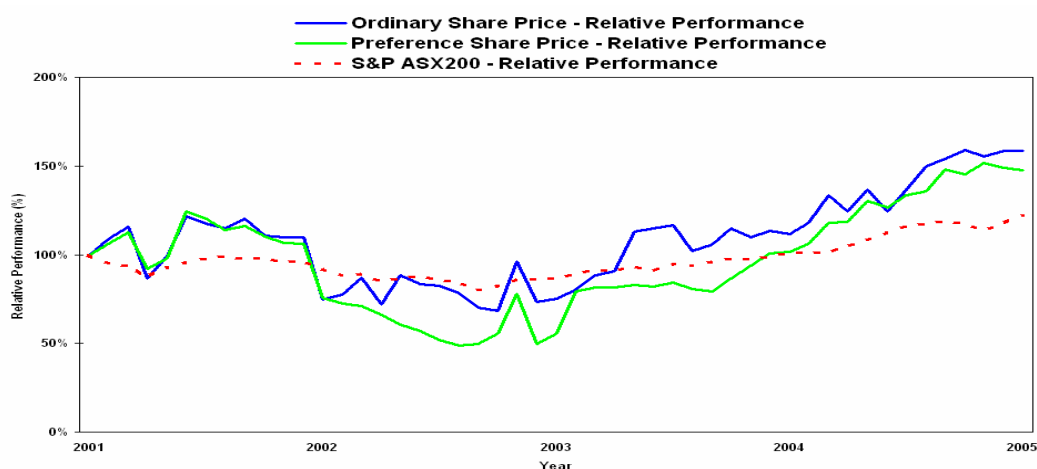
The number of shares in the Company and in Austereo during the financial year in which the specified Directors and specified executives of the Company have a relevant interest, including their personally-related entities, are set out in Note 26 of the Financial Report.

f) Other benefits

The Company has other compensation arrangements with some executives and senior managers such as travel and entertainment reimbursement for business purposes only, relocation and expatriate related costs, health insurance expenses and either Company maintained vehicles or car allowances.

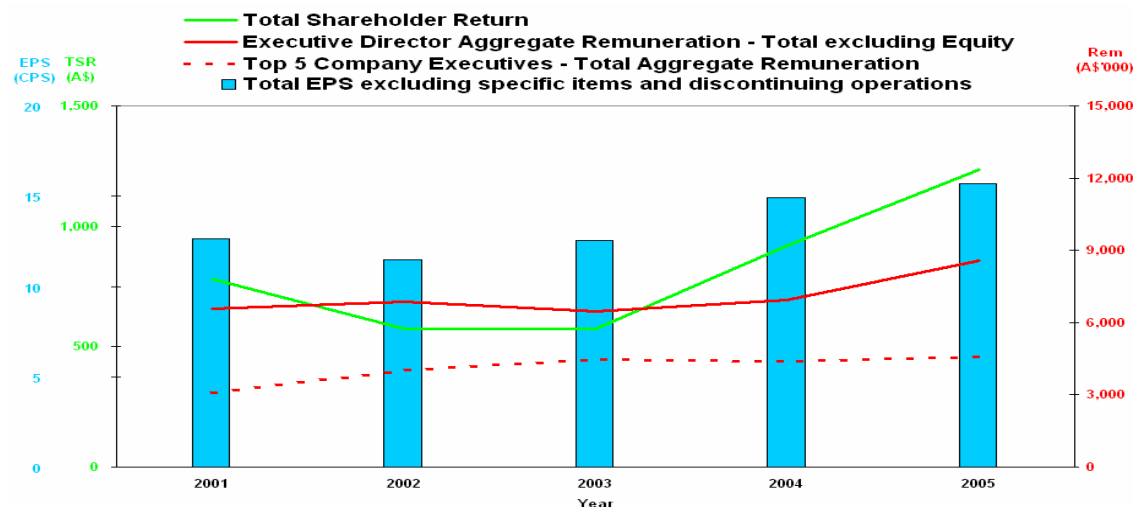
In addition the payment of superannuation or retirement benefit amounts within prescribed statutory limits are made, including various ancillary insurance covers, depending on the jurisdiction in which the Executive Director or relevant senior manager is based and the local market practices applicable. The details of the value of these benefits are set out on pages 19 to 21 of this Remuneration Report.

5. Company Performance



ASX200 month end closing price history - Commonwealth Securities Limited

The above chart shows the relative performance in percentage terms of the Company's ordinary and preference share prices against the performance of the ASX200 index since July 2001. In 2002 the Company suspended dividends on ordinary shares and in 2003 on preference shares, which remains the position as at the date of this report.



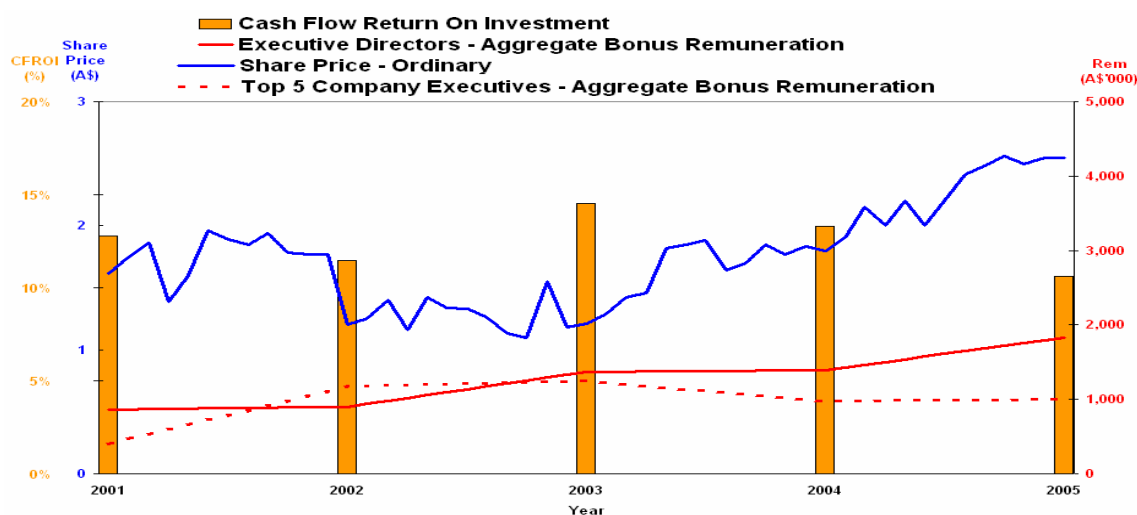
Total Shareholder Return - Macquarie Bank Limited

5. Company Performance continued

The above chart reflects the Total Shareholder Return ("TSR") of the Company for the current reporting period and in each of the four preceding years. It is based on the investment of \$1,000 on ordinary shares on 1 July 2000 and demonstrates the impact on shareholders of investing in ordinary shares over that five year time frame. The chart also shows the growth in Earnings Per Share ("EPS"), shown in cents per share, over the same five year period – this is the total EPS as at 30 June over each of the five years excluding Specific Items and Discontinuing Operations measured against the weighted average ordinary and preference shares on issue at each 30 June year-end.

Overlaid over the TSR and EPS data is the total aggregate annual remuneration of the four continuing Executive Directors, excluding Mr. P.M. Harvie who is remunerated by Austereo, and excluding the notional equity value of Mr. Burke's 6,000,000 ordinary options issued in May 2001 described above. Similarly, the total aggregate annual remuneration of the five continuing Company relevant senior managers is superimposed over the TSR and EPS performance of the Company. It is inappropriate to directly link the individual remuneration of the relevant senior managers of the consolidated entity to the performance of the Company as a whole due to their individual divisional performance criteria.

The movement in total Executive Director remuneration since 2003 has broadly followed the increase in TSR and EPS. The trend line also recognises the voluntary 20% cut in base salary taken by Messrs R.G. Kirby, J.R. Kirby, G.W. Burke and P.E. Foo in September 2002. Growth in underlying shareholder value, measured by TSR, in the last financial year has outstripped any rise in total Executive Directors' remuneration.



Ordinary share price month end closing price history - Commonwealth Securities Limited

The above chart reflects the total aggregate annual STI bonus remuneration of the four continuing Executive Directors, excluding Mr. P.M. Harvie who is remunerated by Austereo, for the current reporting period and in each of the four preceding years. Similarly, the total aggregate annual STI bonus remuneration of the five continuing relevant senior managers of the Company is also shown. Due to the individual divisional performance bonus criteria applicable to the relevant senior managers of the consolidated entity, it is inappropriate to reflect their STI bonus payments measured against the overall performance of the Company as a whole.

The bonus amounts shown for the Executive Directors are those accrued for the year to which the payment relates. However the STI bonuses of senior managers shown above and set out in the table on page 20 of this Remuneration Report are payable at the end of each calendar year and hence relate to the performance of the Company in the prior period.

The calculation of annual bonuses for the Executive Directors is divided into two components; one is driven by Cash Flow Return on Investment ("CFROI") and the other is determined by share price performance. The two components together derive the movement in the Executive Directors' overall bonuses. For the purposes of calculating these Executive Directors' bonuses, the CFROI used relates to normalised EBITDA as a percentage of capital employed, and capital employed is represented by total shareholders capital plus net debt. Bonuses are calculated based on the growth in the ratio from year to year.

Similarly, the total aggregate annual STI bonus remuneration of the five continuing relevant senior managers of the Company has been broadly steady over the last several years. In addition it should be noted that the aggregate total bonus for the year ended 30 June 2001 does not include any bonus for Mr. G. Bassler who joined the Company during that financial period and includes an additional 'transactional bonus' for Mr. Bassler for the successful completion of the refinancing of the Company's film production division in the June 2003 reporting period.

6. Employment Contracts

Remuneration and other terms of employment for the Company's Managing Director, the Executive Chairman of Austereo Group Limited and the Company's five relevant senior managers and three relevant senior managers of the consolidated entity with the highest remuneration are formalised in service agreements.

The main terms of all major contracts and bonus payments are reviewed by the Remuneration Committee. The major provisions of the service agreements of these officers relating to remuneration are as set out below.

a) Executive Directors

The names of the Executive Directors and their titles and roles are set out on pages 7 and 8.

The option to extend Mr. G.W. Burke's five year contract with the Company as Managing Director for a further five years is currently under discussion. In addition to base salary, superannuation and motor vehicle, CPI adjusted, an annual incentive performance bonus is payable for achieving certain market capitalisation and CFROI levels. The contract also provides for the grant of six million options over ordinary shares (as described above) and a loan of up to \$2 million on terms and conditions to be agreed by the Remuneration Committee of the Company. Other than a global twelve month non-compete clause, the contract does not provide for pre-determined compensation in the event of termination.

Mr. P.M. Harvie's five year contract with Austereo Pty Ltd as Executive Chairman of the Company's controlled entity, Austereo Group Limited, expires on 30 June 2007. In addition to base salary and superannuation, CPI adjusted, an annual discretionary performance bonus is payable together with participation in the ESP and AESP. Payment for termination without cause is equal to twelve months of salary. In 2005, Mr. Harvie elected to defer his STI bonus until further notice.

The Company's Finance Director Mr. P.E. Foo does not have a formal service agreement with the Company, however the Company is required to give Mr. Foo twelve months notice in writing of his termination, and vice versa.

Discussions are continuing between the Remuneration Committee and the Company's Executive Chairman, Mr. R.G. Kirby, and Executive Deputy Chairman, Mr. J.R. Kirby, for service agreements on similar terms and conditions to Mr. G.W. Burke's contract.

b) Company senior managers

The names and respective positions of the Company's five senior managers with the highest remuneration for the period ended 30 June 2005 are set out below:

Village Roadshow Limited

Name	Position	Employer
Philip S. Leggo	Group Company Secretary	Village Roadshow Limited
Julie E. Raffe	Chief Financial Officer	Village Roadshow Limited
Gregory Basser	Director - Commercial & Legal, Group Executive in charge of Production	Village Roadshow Limited
Tony N. Pane	Chief Tax Counsel	Village Roadshow Limited
Simon T. Phillipson	General Counsel	Village Roadshow Limited

Messrs P.S. Leggo, J.E. Raffe, T.N. Pane and S.T. Phillipson all have service agreements with the Company expiring respectively on 30 November 2005, 30 November 2007, 14 January 2006 and 30 November 2006. Messrs Leggo's and Raffe's contracts have an option to extend for a further two years at the Company's option and Mr. Pane's for one year at his option. In addition to base salary and superannuation, and Company motor vehicle provided to Messrs Leggo and Raffe, all four above named Company executives are eligible to be paid an annual discretionary performance bonus. Payment for redundancy under these employment contracts for Messrs Leggo and Raffe is equal to twelve months of salary and equal to nine months of salary for Mr. Phillipson. None of the contracts for the four named Company executives provide for pre-determined compensation in the event of termination.

Mr. G. Basser has two contracts with the Company - one executive employment agreement and a separate Consulting Agreement with Greg Basser Pty Ltd for legal services to the economic entity. Both contracts expire on 30 April 2007 and are currently being renegotiated. The Company's options to extend both contracts have been exercised, however several minor issues are currently being renegotiated. The employment agreement provides for base salary and superannuation, CPI adjusted, including a motor vehicle allowance, together with an annual discretionary performance bonus. The Consultancy Agreement provides for the payment of an annual retainer which is adjusted by CPI or \$50,000 per annum whichever is greater, together with an additional performance based retainer and reimbursement of reasonable administrative costs and out of pocket expenses. Neither contract provides for pre-determined compensation in the event of termination. If the Company breaches and either contract is terminated by the other party, it may claim for monies and benefits payable until expiry of the contract, subject to an obligation to mitigate.

VILLAGE ROADSHOW LIMITED
ABN 43 010 672 054
Remuneration Report continued

6. Employment Contracts continued

Messrs P.S. Leggo and G. Bassier were entitled under their contracts during the last 36 months to the issue of preference shares under the ESP. Due to the fact that the Company had embarked on buy-backs of all preference shares, this issue was deferred. As these shares would have been in profit from the perspective of Messrs Leggo and Bassier, the Company is in discussions on how to compensate them for these circumstances.

The Company may terminate an employment contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the senior manager is only entitled to that portion of remuneration which is fixed, and only up to the date of termination. On termination with cause any unvested ESP shares will immediately be forfeited.

c) Consolidated entity senior managers

The names and respective positions of the five relevant senior managers of the consolidated entity with the highest remuneration for the period ended 30 June 2005 are set out below:

Village Roadshow Limited consolidated entity

Name	Position	Employer
Bruce Berman	Chairman & Chief Executive Officer	Village Roadshow Pictures Entertainment Inc
Steve Krone	Executive Vice President & Chief Operating Officer	Village Roadshow Pictures Entertainment Inc
Michael E. Anderson	Chief Executive Officer	Austereo Pty Limited
Gregory Bassier	Director - Commercial & Legal, Group Executive in charge of Production	Village Roadshow Limited
Tony N. Pane	Chief Tax Counsel	Village Roadshow Limited

The top five relevant senior managers of the consolidated entity include the Company executives Messrs G. Bassier and T. Pane whose contract details are provided above.

Mr. M.E. Anderson, the CEO of Austereo, is employed under contract to Austereo Pty Ltd. The current employment contract commenced 1 July 2005 and terminates 30 June 2009. At the end of the third year of the contract Austereo and Mr. Anderson may choose to commence negotiation to enter into a new employment contract. His previous contract commenced 11 August 2003 and was for a term of three years and has been replaced by his current employment contract. Under both the current and previous contracts, in addition to base salary and superannuation, Mr. Anderson is entitled to an annual performance bonus payable of \$200,000 and \$150,000 respectively, on the achievement of Austereo Board approved budgeted EBIT. In the event that Austereo over achieves the budgeted EBIT result by 10%, an additional incentive of \$200,000 is payable. In addition Mr. Anderson participates in the AESP.

Both Messrs B. Berman and S. Krone are employed by Village Roadshow Pictures Entertainment Inc with contracts expiring on 30 June 2007. In addition to base salary and ancillary benefits, both Messrs Berman and Krone are eligible to be paid an annual discretionary bonus linked to the performance of the Company's film production division. There are no provisions for pre-determined compensation in the event of termination for either executive, however if Mr. Krone is terminated without cause he may claim for monies and benefits payable until expiry of the contract, subject to an obligation to mitigate. In addition Mr. Krone participates in the ESP. Should Mr. Berman's contract be terminated without cause, the Company is obliged to pay the greater of the remuneration due for the remainder of the contract or three months remuneration, without an obligation to mitigate by Mr. Berman. In addition, if the majority of the Company's equity in Village Roadshow Pictures is floated or sold during the employment of Mr. Berman, he will be entitled to 2.5% of the equity (at no cost) or the sales proceeds thereof.

Attached are the following tables:

Remuneration of Directors of the Company for the period ended 30 June 2005

Remuneration of five highest remunerated executives of the Company for the period ended 30 June 2005

Remuneration of five highest remunerated executives of the consolidated entity for the period ended 30 June 2005

Remuneration of Directors of the Company for the period ended 30 June 2005

Name of Director	Position * from / to	Year	Primary benefits			Cash Bonus S.T.I.	Post Employment		Equity based L.T.I.	Other	Total
			Salary & Fees	Non-cash benefits	Subtotal		Super- annuation	Retirement benefits			
Robert G Kirby	Executive Chairman since 02/05/2002	2005	1,608,125	160,000	1,768,125	402,031	95,980	-	-	-	2,266,136
		%	70.96	7.06	78.02	17.74	4.24	-	-	-	100.00
		2004	1,190,160	200,279	1,390,439	298,700	91,149	-	-	-	1,780,288
		%	66.85	11.25	78.10	16.78	5.12	-	-	-	100.00
John R. Kirby	Executive Deputy Chairman since 02/05/2002	2005	1,608,125	160,000	1,768,125	402,031	95,980	-	-	-	2,266,136
		%	70.96	7.06	78.02	17.74	4.24	-	-	-	100.00
		2004	1,190,160	193,223	1,383,383	298,700	91,149	-	-	-	1,773,232
		%	67.12	10.90	78.01	16.84	5.14	-	-	-	100.00
Graham W. Burke	Managing Director since 09/09/1988	2005	1,608,125	160,000	1,768,125	402,031	95,980	-	111,234	-	2,377,370
		%	67.64	6.73	74.37	16.91	4.04	-	4.68	-	100.00
		2004	1,190,160	176,031	1,366,191	298,700	91,149	-	222,626	-	1,978,666
		%	60.15	8.90	69.05	15.10	4.61	-	11.25	-	100.00
Peter E. Foo	Finance Director since 12/02/1998	2005	1,021,808	56,301	1,078,109	625,000	87,982	-	-	-	1,791,091
		%	57.05	3.14	60.19	34.89	4.91	-	-	-	100.00
		2004	1,063,246	46,268	1,109,514	496,000	34,254	-	-	-	1,639,768
		%	64.84	2.82	67.66	30.25	2.09	-	-	-	100.00
Peter M. Harvie	Executive Director since 20/06/2000	2005	585,792	83,519	669,311	-	25,000	-	-	-	694,311
		%	84.37	12.03	96.40	-	3.60	-	-	-	100.00
		2004	585,792	81,363	667,155	100,000	25,000	-	-	-	792,155
		%	73.95	10.27	84.22	12.62	3.16	-	-	-	100.00
William J. Conn	Independent Director since 12/03/1992	2005	92,430	-	92,430	-	8,320	-	-	-	100,750
		%	91.74	-	91.74	-	8.26	-	-	-	100.00
		2004	88,072	-	88,072	-	7,928	-	-	-	96,000
		%	91.74	-	91.74	-	8.26	-	-	-	100.00
Peter D. Jonson	Independent Director since 21/01/2001	2005	69,037	15,990	85,027	-	6,213	-	-	-	91,240
		%	75.67	17.53	93.19	-	6.81	-	-	-	100.00
		2004	66,056	20,813	86,869	-	5,944	-	-	-	92,813
		%	71.17	22.42	93.60	-	6.40	-	-	-	100.00
D. Barry Reardon	Independent Director since 24/03/1999	2005	130,750	-	130,750	-	-	-	-	-	130,750
		%	100.00	-	100.00	-	-	-	-	-	100.00
		2004	126,000	-	126,000	-	-	-	-	-	126,000
		%	100.00	-	100.00	-	-	-	-	-	100.00

* The start dates shown above for Positions held do not necessarily coincide with commencement dates - the dates of appointment of Directors are set out on pages 7 to 9

Remuneration of the 5 Highest Remunerated Executives of the Company for the period ended 30 June 2005

Name of Executive	Position * from / to	Year	Primary benefits			Cash bonus S.T.I	Post Employment		Equity based L.T.I.	Other	Total
			Salary & Fees	Non-cash benefits	Subtotal		Super- annuation	Retirement benefits			
Gregory Bassar	Director, Commercial & Legal since 01/02/1999	2005	1,196,908	12,456	1,209,364	250,000	38,702	-	-	-	1,498,066
		%	79.90	0.83	80.73	16.69	2.58	-	-	-	100.00
		2004	1,132,266	7,435	1,139,701	250,000	36,754	-	-	-	1,426,455
		%	79.38	0.52	79.90	17.53	2.58	-	-	-	100.00
Tony N. Pane	Chief Tax Counsel since 17/01/2000	2005	1,001,854	579	1,002,433	250,000	11,585	-	-	-	1,264,018
		%	79.26	0.05	79.31	19.78	0.92	-	-	-	100.00
		2004	956,178	-	956,178	250,000	11,002	-	-	-	1,217,180
		%	78.56	-	78.56	20.54	0.90	-	-	-	100.00
Simon T. Phillipson	General Counsel since 13/05/1996	2005	424,607	759	425,366	200,000	38,175	-	-	-	663,541
		%	63.99	0.11	64.11	30.14	5.75	-	-	-	100.00
		2004	374,447	9,260	383,707	200,000	33,675	-	-	-	617,382
		%	60.65	1.50	62.15	32.39	5.45	-	-	-	100.00
Philip S. Leggo	Group Company Secretary since 23/02/1993	2005	333,039	63,304	396,343	150,000	80,040	-	-	-	626,383
		%	53.17	10.11	63.27	23.95	12.78	-	-	-	100.00
		2004	360,508	56,951	417,459	140,000	32,419	-	-	-	589,878
		%	61.12	9.65	70.77	23.73	5.50	-	-	-	100.00
Julie E. Raffe	Chief Financial Officer since 28/09/1992	2005	297,540	37,293	334,833	150,000	26,758	-	-	-	511,591
		%	58.16	7.29	65.45	29.32	5.23	-	-	-	100.00
		2004	277,648	88,535	366,183	140,000	24,938	-	-	-	531,121
		%	52.28	16.67	68.95	26.36	4.70	-	-	-	100.00

* The start dates shown above for Positions held do not necessarily coincide with employment commencement dates.

Remuneration of the 5 Highest Remunerated Executives of the consolidated entity for the period ended 30 June 2005 #

Name of Executive	Position * from / to	Year	Primary benefits			Cash bonus S.T.I	Post Employment		Equity based L.T.I.	Other	Total
			Salary & Fees	Non-cash benefits	Subtotal		Super- annuation	Retirement benefits			
Bruce Berman	Chairman & CEO	2005	1,787,943	54,341	1,842,284	662,690	36,448	-	-	-	2,541,422
	Village Roadshow	%	70.35	2.14	72.49	26.08	1.43	-	-	-	100.00
	Pictures Entertainment Inc.	2004	1,961,460	61,469	2,022,929	-	38,231	-	-	-	2,061,160
	since 01/01/2000	%	95.16	2.98	98.15	-	1.85	-	-	-	100.00
Steve Krone	President & COO	2005	801,755	60,481	862,236	265,076	36,448	-	-	-	1,163,760
	Village Roadshow	%	68.89	5.20	74.09	22.78	3.13	-	-	-	100.00
	Pictures Entertainment Inc.	2004	824,588	57,973	882,561	262,369	38,231	-	-	-	1,183,161
	since 31/03/2003	%	69.69	4.90	74.59	22.18	3.23	-	-	-	100.00
Michael E. Anderson	Chief Executive Officer	2005	806,566	63,361	869,927	150,000	38,702	-	-	-	1,058,629
	Austereo Group Limited	%	76.19	5.99	82.17	14.17	3.66	-	-	-	100.00
	since 11/08/2003	2004	780,248	89,683	869,931	150,000	36,754	-	-	-	1,056,685
		%	73.84	8.49	82.33	14.20	3.48	-	-	-	100.00

Top 5 Executives of the consolidated entity [as per *Corporations Act* section 300A (1)(c)(iii)] includes Company executives Messrs Basser and Pane whose details are provided on page 20 of this Remuneration Report.

* The start dates shown above for Positions held do not necessarily coincide with employment commencement dates.