

15 August 2007

**VILLAGE ROADSHOW BUYS AMALGAMATED'S 50% STAKE
IN ROADSHOW FILM DISTRIBUTORS****Immediately earnings per share positive**

Village Roadshow Limited (ASX: VRL) today announced that it has concluded an agreement with Amalgamated Holdings Limited (ASX: AHD) to acquire AHD's 50 percent shareholding in the Roadshow Distributors Group ("Roadshow"). Consideration for the purchase is A\$95 million net of shareholder loans owing by AHD of \$34.4 million which will be repaid by VRL. The purchase price will be funded out of VRL's existing cash reserves and undrawn credit facilities.

Upon completion of the acquisition, Roadshow will be a wholly-owned subsidiary of VRL, which will have an immediate positive impact on VRL's cash flows and earnings per share.

VRL Chairman, Mr John Kirby said: "VRL was one of the founders of Roadshow which is part of the group's heritage. We are delighted to move to full ownership of this business which we know well and have great confidence in its future."

VRL CEO, Mr Graham Burke said: "This is an excellent opportunity to consolidate our interest in a very successful business which has achieved strong and consistent growth over the past few years, generating annual EBITDA levels in excess of A\$40 million on total sales of almost \$400 million. In the 2007 financial year, Roadshow achieved a 21 per cent share of the Theatrical market and a 15% share of the DVD retail market. "Happy Feet" was the all time highest selling Australian film on DVD with sales of over 437,000 units to date.

"Following on from the Australian Theme Parks move to 100% ownership by VRL and its positive impact on earnings last year, the consolidation of Roadshow into the group is also expected to be a major milestone in improving the transparency and earnings of VRL's operations."

"Amalgamated Holdings have been wonderful partners over the last 20 years. Under our joint ownership, Roadshow grew into the powerhouse it is today becoming Australia's largest independent film distributor for cinema, DVD and television. Amalgamated have been outstanding contributors to this business," Mr Burke said.

In a separate statement, AHD said that it was selling its interest in Roadshow in order to more fully focus its investment strategy on its core businesses.

The long term distribution agreements with Warner Bros and New Line which have been the cornerstones underpinning the profitability of Roadshow will continue. These relationships, together with the ABC and BBC DVD distribution, have contributed significantly to Roadshow's performance over many years.

Mr Burke said that Roadshow has continually grown through the past four decades by embracing new technology and by exploiting new media platforms, and under our 100 percent ownership the business will continue to be an integral part of the VRL group, complementing VRL's interests in cinema and film production.

"VRL will continue to diversify Roadshow's activities to pave the way for new growth opportunities. These opportunities will include Australian Film Production, internet, pay per view and video on demand," Mr Burke said.

Upcoming films to be distributed by Roadshow in the current year include the September releases of "The Brave One" starring Jodie Foster and "Hairspray", "I am Legend" starring Will Smith in November and "The Golden Compass" in December. "Speed Racer" directed by the Wachowski's (The Matrix trilogy) will be distributed in mid 2008. High performing DVD titles include "The Wiggles", "Little Britain", "Kath and Kim" and "Thank God You're Here".

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