

7 June 2002

VILLAGE ROADSHOW DIVIDEND POLICY

The Village Roadshow Limited Board of Directors has been considering the Company's dividend policy for an extended period of time. In order to more closely align Village Roadshow with international growth companies, Directors have decided to suspend the dividend on Ordinary shares. It is the Directors' current intention to pay dividends on A Class Preference shares out of this year's profits however this policy will be reviewed in the future on an annual basis.

Mr Robert Kirby, Chairman said "Whilst Village Roadshow has a strong balance sheet, there are substantial commitments with respect to long term operating leases on Exhibition properties. Suspension of the Ordinary dividend will assist in reinforcing the strength of our balance sheet. In addition it will improve the internal reserves as well as access to external resources available to pursue inherent growth opportunities in our core businesses of Exhibition, Theme Parks and Production. It will underpin long term general financial flexibility within Village Roadshow Limited."