

3 August 2004

FILM PRODUCTION UPDATE – YEAR ENDING JUNE 2005

Village Roadshow Limited (“the Company”) today announced that the initial North American results for CATWOMAN have been below expectations, however, the Company believes that the film’s performance outside of North America will be stronger and closer to its expectations. The international release dates for the film are staggered over the next 2 to 3 months so it will take some time for actual international performances to be known. The limited releases in Thailand, Puerto Rico and Philippines have been encouraging with the film opening at No. 1 in each of these countries. However when combined overall, due to the lower than expected performance, this film result will likely negatively impact the profit pool derived from film exploitation.

The Company estimates the performance of its film portfolio, based on historical data, predicated on some movies being successful and others less successful. The Company holds the view that the forthcoming potential successful releases in the next 12 months of OCEANS 12, MISS CONGENIALITY - ARMED & FABULOUS, CONSTANTINE, CHARLIE AND THE CHOCOLATE FACTORY and HOUSE OF WAX will be sufficient to cover any negative financial performance of CATWOMAN.

The Company does not believe, based on its estimates, that there will be any material effect on profit for the 2005 financial year.

The Company believes it is prudent to advise the market that the CATWOMAN projected result is likely to be less than anticipated and as a consequence the Company will be more reliant on the performance of the remaining films. If these films do not perform to our budget expectations, the results for the 2005 financial year could be affected by losses materialising from exploitation.

The Company confirms that on this basis the Group’s budgeted net profit after tax for the year ending 30 June 2005 remains unaffected at approximately A\$45m, assuming completion of the 10% ordinary share buy back. The year ended 30 June 2004 remains unaffected.

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