



30 September 2003

VILLAGE ROADSHOW LIMITED PREFERENCE SCHEME DIRECTORS DETERMINE “FOREIGN PREFERENCE SHAREHOLDER”

The Directors of Village Roadshow Limited have determined that, under the proposed Scheme of Arrangement relating to the buy back of the Company’s A Class Preference Share, a “Foreign Preference Shareholder” shall be the holder of A Class Preference Shares in VRL whose address as noted on the Company’s register of members is outside Australia and outside each of the following countries:

- New Zealand
- United Kingdom
- Belgium
- Czech Republic
- Denmark
- France
- Greece
- Hong Kong
- Indonesia
- United Arab Emirates.

This means that a Shareholder with an address on the Company’s register of members other than Australia or those countries listed above will be deemed to be a “Foreign Preference Shareholder” for the purposes of the Scheme of Arrangement.

Background

Under the terms of the proposed Scheme of Arrangement, a “Foreign Preference Shareholder” is a holder of A Class Preference Shares (“Preference Shareholder”) whose address as noted on the register of members is outside Australia and in respect of whom the Directors have determined that it would be unreasonable for VRL to comply with the laws of the jurisdiction where the Preference Shareholder resides to enable it to offer and issue the Unsecured Notes under the Scheme to that Preference Shareholder.

Any Unsecured Note which would otherwise be issued to a Foreign Preference Shareholder under the Scheme will be issued to the nominee appointed by the Board pursuant to the Scheme, Computershare Clearing Pty Limited (“Nominee”).

The Nominee will as soon as practical sell the Unsecured Notes issued to it and distribute to the Foreign Preference Shareholder their proportion of the cash proceeds of the sale of the Unsecured Notes, after deducting the costs and expenses of the sale and of their appointment and any taxation.

Full details of the Scheme and the provisions relating to a Foreign Preference Shareholder are set out in the Scheme Booklet dated 26 September 2003, which was released to ASX on Friday 26 September 2003 and is expected to be dispatched to shareholders on 3 October 2003.