

9 November 2009

## MARKET UPDATE

Village Roadshow Limited (“VRL”) refers to its announcement of 23 October 2009 regarding an on-market buy-back of ordinary shares and preference shares (the “Buy-Back”). This announcement supplements the Explanatory Memorandum issued on 23 October 2009.

VRL confirms that, as previously advised, it intends to buy back up to 12,690,800 ordinary shares (representing 10.0% of the total number of ordinary shares on issue) and up to 45 million preference shares (representing 46.1% of the total number of preference shares on issue) over a three week period, which commences on 9 November 2009 (today) and is expected to conclude on 30 November 2009. VRL reserves the right to amend this timetable at any time and for any reason.

VRL also confirms that it has completed the documentation modifying its existing corporate debt facility for the purpose of funding the Buy-Back and that Village Cinemas Australia Pty Ltd has completed its syndicated loan refinancing as described in section 5 of the Explanatory Memorandum.

Village Roadshow Entertainment Group (“VREG”) continues to carry out work in relation to extending the film financing facility which its Village Roadshow Pictures division currently has in place. VREG is considering a range of potential strategic initiatives, including new investors, joint initiatives or mergers with existing entertainment businesses and an IPO of VREG. Each of these potential initiatives is at a preliminary stage and no decision has been made by VREG or its shareholders in relation to any specific initiative.

Progress continues to be made in relation to the completion of the sale of the Czech Republic cinema exhibition business. VRL currently anticipates that completion of this transaction and receipt of the sale proceeds of approximately A\$3 million will occur on or around 11 November 2009.

VRL has made a further funding commitment of US\$4 million towards funding the United States Gold Class cinema exhibition business until early in the 2010 calendar year. VRL anticipates that 2 additional Gold Class cinemas will open in the United States by December 2009 with 2 further sites scheduled to open in the first half of the 2010 calendar year.

VRL continues to pursue and is making positive progress on negotiations for the development of a potential new water park in Australia to complement its existing Wet'n'Wild on the Gold Coast. The development of such a water park is not assured and is dependent upon a number of conditions, including planning approvals and finance. Any such development is likely to take a number of years to complete.

