



VILLAGE ROADSHOW ENTERTAINMENT GROUP

VILLAGE ROADSHOW PICTURES GROUP AND CONCORD MUSIC GROUP JOIN FORCES TO FORM VILLAGE ROADSHOW ENTERTAINMENT GROUP

Los Angeles, CA 2 September, 2007 and Melbourne, Australia 3 September, 2007: Norman Lear and Hal Gaba, co-owners of Concord Music Group (Concord), announced today that Village Roadshow Pictures Group (VRPG) and Concord have signed an agreement to merge VRPG and Concord into a new diversified entertainment group, Village Roadshow Entertainment Group (VREG). VRPG and Concord will continue to operate as separate entities with the combination of these complementary film and music assets under common ownership providing compelling cross-platform opportunities. The union also creates a scalable corporate infrastructure enabling operating efficiencies and growth. The agreement, which is subject to customary contingencies, is expected to close by the end of October 2007.

Upon closing, VREG will be owned by Village Roadshow Limited (VRL), Act III Entertainment (a media investment firm co-owned by Norman Lear and Hal Gaba), Lambert Entertainment (owned by Michael Lambert), and private equity firms, Tailwind Capital Partners and Clarity Partners. The transaction was arranged by Village Roadshow Limited, Act III Entertainment, Clarity Partners and Tailwind Capital Partners.

Hal Gaba, Chairman of Concord Music Group, and Graham Burke, CEO of VRL, will be Co-Chairmen of VREG. Long time VRL executive and CEO of VRPG, Greg Bassler, will serve as CEO of the VREG.

"There is a strong strategic fit between motion pictures and music content. The union will couple a broad film library with a vast catalogue of master recordings and publishing rights," said both John Kirby, Chairman of VRL, and Graham Burke. "We back people we believe in. There are none better than Glen Barros, Norman Lear and Hal Gaba who are the heart and soul of Concord. They have put together an extraordinary team and together with the seasoned Village Roadshow Pictures Group executive team we have a combined music film powerhouse that has an exciting future."

Greg Basser, CEO of VREG said: "The combination of Village Roadshow Pictures Group and Concord Music Group creates a diversified entertainment group with complementary assets, growth opportunities and the financial flexibility necessary to excel in today's marketplace.

"This new entity creates a powerful platform to develop further opportunities in media and entertainment with a particular emphasis on content," said Mr. Basser.

Norman Lear, Act III Chairman added: "Throughout my life, I've seen amazing things happen when creative people come together. The passion and expertise exhibited by the folks at Concord and Village Roadshow Pictures have separately produced great results. I can't wait to see what happens when these two forces unite."

Glen Barros will continue in his role as President & CEO of Concord. Over the past few years, Concord has experienced significant growth and is one of the world's largest independent music companies. Earlier this year, Concord launched a joint venture label with Starbucks Entertainment, building upon a number of successful collaborations such as the Ray Charles' GENIUS LOVES COMPANY project which won eight Grammy awards, including album and record of the year with 5.5 million in worldwide sales. Musical icons Paul McCartney, Joni Mitchell, and James Taylor are among the first artists to sign on this new jointly-owned label, Hear Music

Bruce Berman, Chairman and CEO of Village Roadshow Pictures Entertainment and Greg Basser will continue to lead the successful VRPG film production and financing business. VRPG, which has co-produced more than 56 theatrical motion pictures that have grossed more than \$7.5 billion at the box office, consistently provides quality content and entertainment with worldwide appeal. VRPG's HAPPY FEET won an Oscar® for best animated feature at the 2007 Academy Awards. Upcoming VRPG releases include THE BRAVE ONE starring Jodie Foster, the Will Smith holiday feature I AM LEGEND and GET SMART in summer 2008.

VREG has secured funding commitments from J P Morgan Chase NA.

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About Concord Music Group

Concord Records, established in 1973, has long been regarded as one of the world's premier producers of jazz and traditional pop. In 2004, Concord Records acquired and merged with Fantasy, Inc., home to one of the world's most prestigious catalogs of jazz, blues, R&B and rock music, to create the Concord Music Group. The following year, in December 2005, Concord acquired Telarc International Corporation, a leader in classical and jazz recordings for over 25 years.

Today, Concord is one of the largest independent record companies in the world and keeper of an extraordinarily rich, and, in many cases, historically significant, catalog of recordings from some of the most admired and enduring names in music.

Concord is also the holder of a prominent catalog of music publishing rights. With over 5,000 albums, Concord's catalog of master recordings includes titles by such legendary artists as Ray Charles, Rosemary Clooney, Count Basie, David Brubeck, John Coltrane, Creedence Clearwater Revival, Miles Davis, Duke Ellington, Bill Evans, Ella Fitzgerald, Vince Guaraldi, Isaac Hayes, Manhattan Transfer, Thelonious Monk, Tito Puente, Mel Torme, Little Richard, and Otis Redding. Concord's current recordings and releases include such world-class artists as George Benson, Dave Brubeck, Chick Corea, Michael Feinstein, John Fogerty, Boney James, Al Jarreau, Erich Kunzel, Sergio Mendes, Ozomatli, The Rippingtons, Sonny Rollins, Angie Stone, Spyro Gyra, Dionne Warwick, and many more.

Earlier this year, Concord launched a joint venture label with Starbucks Entertainment. The first releases under this label are new recordings by Paul McCartney, Joni Mitchell and James Taylor. In the future, the label will feature a full lineup of recordings by new and established artists in multiple genres.

About Village Roadshow Pictures Group

Village Roadshow Pictures Group is a leading independent co-producer and co-financier of major Hollywood motion pictures, having produced in excess of 56 films since its establishment in 1997 including, as co-productions with Warner Bros., *The Matrix* trilogy, the *Ocean's* series, *Happy Feet*, *Mystic River*, *Analyze This*, *Miss Congeniality*, *Two Weeks' Notice* and *Charlie and the Chocolate Factory*.

VRPG self distributes its filmed entertainment through affiliates in several territories around the world including Australia, New Zealand, Greece and Singapore. Amidst the backdrop of a challenging film marketplace, Village Roadshow Pictures Group continues its success across many genres, grossing worldwide box office receipts of more than \$7.5 billion to date.

VRPG is supported by a \$1.4b revolving financing facility led by Rabobank and MBIA.