



21 January 2004

Company Announcements Office
Australian Stock Exchange Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir or Madam

Re: Launch of New AUSTAR Digital

In accordance with ASX requirements, please find attached the media statement to be delivered to the press corps on 21 January 2004 .

Yours sincerely

A handwritten signature in black ink, appearing to read "Deanne Weir". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Deanne Weir
Company Secretary



21 January 2004

MEDIA RELEASE

New AUSTAR Digital: the television revolution continues in regional AUSTRALIA

AUSTAR today announced plans to enhance its digital satellite television service in regional Australia with the launch of New AUSTAR Digital. The new service will see the addition of twenty new channels plus BOX OFFICE, a brand new movie service, giving regional viewers more choice and greater flexibility in their television viewing experience.

The launch of New AUSTAR Digital follows the company's substantially improved performance, which CEO John Porter attributes to careful business planning and execution. "Over the past few years, we have been refocusing on our core business and listening to our customers in order to realise the vision of growth that we have for our company", Mr Porter said today. "By enforcing significant cost reductions, attracting the CHAMP investment group as our major new shareholder and taking advantage of beneficial new industry arrangements, we have positioned ourselves to be able to improve and revitalize our products and services. New AUSTAR Digital is the culmination of these efforts."

Part of this re-focus has seen extensive customer research go into building the new line-up. "We have really listened to what our customers want, and with that in mind, have been able to source the best possible product", Mr Porter said.

New lifestyle-oriented channels include Discovery Health, Discovery Travel & Adventure, the HOW TO CHANNEL, Lifestyle FOOD and Ovation. Documentary fans will have a range of new channels to explore with Discovery Science, TechTV and Biography Channel. For music lovers there will be Club [V], MTV and VH1. Sport enthusiasts will find EUROSPORTNEWS, Adventure 1 and Fuel of interest while children will be entertained with Boomerang and Nick Jr. FOX News, entertainment channel E!, plus more movies with FOX Classics and MOVIE ONE TAKE TWO round out the new channels.

Soon after launch, New AUSTAR Digital plans to offer even more interactivity with the near video-on-demand BOX OFFICE service. The company is also working on additional interactive services, which are planned for later in the year.

As the first broadcaster in the Asia Pacific region to offer digital interactive television services, AUSTAR's announcement today further cements the company's continued investment in and improvement of its service offering in response to customer demand.

Mr Porter said, "With the launch of New AUSTAR Digital and exciting new interactive services on the way, 2004 is shaping up to be the most exciting year yet for AUSTAR's regional Australian television viewers."

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MEDIA RELEASE

About Austar United Communications (AUSTAR)

www.austarunited.com.au

AUSTAR (Australian Stock Exchange "AUN") is a leading provider of subscription television services in Australia, providing principally satellite delivered services to regional and rural Australia. AUSTAR also offers mobile telephone and internet services. AUSTAR's 50% owned joint venture, XYZnetworks, is a significant program provider in the Australian market and owns and/or distributes Nickelodeon, Discovery, Channel [V], musicMAX, Arena, The Lifestyle Channel and The Weather Channel to over 1.2 million subscribers. In addition, AUSTAR was the first company in Australia to launch digital interactive television.

For further information:

Deanne Weir

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