



**ARTS ALLIANCE MEDIA TO ACQUIRE
HART SHARP VIDEO AND CREATE NEW
FILM DISTRIBUTION COMPANY
ARTS ALLIANCE AMERICA**

NEW YORK, NY and LONDON, UK -- 9th May, 2007 – In a move to broaden its industry reach, Arts Alliance Media (AAM), Europe’s leading provider of digital film distribution services, announced today a definitive agreement to acquire New York-based Hart Sharp Video, a home entertainment company that develops, acquires, markets and distributes films, both for DVD, theatrical release and digital distribution. The purchase was announced today by AAM’s CEO, Howard Kiedaisch and Joe Amodei, President of Hart Sharp Video. The new company will be named Arts Alliance America.

Acquiring Hart Sharp Video gives AAM a North American base with greater access to U.S. filmmakers and the ability to seek out and nurture content for its digital distribution network. Amodei will be President of Arts Alliance America, based in NYC, reporting to AAM’s CEO Howard Kiedaisch, based in the London headquarters. Capitalizing on his expansive background in the entertainment industry, Amodei will continue to build partnerships in the independent film world, focus on distribution and the co-production of feature films.

The deal was structured and negotiated by Robert Nathan of Cinetic Media who also provided advisory services to Hart Sharp Video during the sale process.

While at Hart Sharp, Amodei built a company that benefited greatly from a diverse line of products including the company’s highest-grossing release, Morgan Spurlock’s “Super Size Me” as well as popular sports titles; “Faith Rewarded--The Historic Season of the 2004 Red Sox” and the top selling “Live the Dream: The Texas Longhorns' Magical March to the 2005 National Championship.” Prior to the formation of Hart Sharp Video, he was with USA Home Entertainment as President. Amodei began his career in the home entertainment industry two decades ago.

Commenting on the acquisition, Howard Kiedaisch, Chief Executive Officer, AAM, said "I have known Joe and his team for over ten years now and am really happy to announce Arts Alliance America with them on board. With such a savvy and well-respected group of professionals, many great opportunities lie ahead for us as we take our digital home distribution business to new heights."

Joe Amodei said, "I have always had great admiration for Arts Alliance Media and its founder, Thomas Høegh. I look forward to working with Howard and building this new company together. The new innovative areas of digital home distribution are extremely exciting to us but our core DVD business will continue to remain the biggest revenue stream for some time to come."

Morgan Spurlock commented, "The new partnership between Joe Amodei and Arts Alliance is really inspiring because it will give us the opportunity to distribute even more worthwhile films on a larger scale and allow more filmmakers the chance to get their movies seen by a global audience."

Upcoming releases for the new company include Academy Award® Winning Actor Roberto Benigni's film THE TIGER AND THE SNOW and the company's first theatrical release – the mockumentary CHALK, in eight cities beginning May 11, 2007. CHALK was the hit of last years LA Film Fest and the Spirit Award nominee is the debut title under the "Morgan Spurlock Presents" brand established by Amodei and Spurlock. The company has also co-produced the film "The Third Wave" which premiered last week at the Tribeca Film Festival.

Upcoming television content will be four to six TV Guide branded releases including TV Guide Presents "Banacek – The First Season," "Trapped in TV Guide" and TV Guide Presents "The Crow: Stairway to Heaven - The Complete First Season." Additionally, the company will release the award-winning Baby Road Trip children's series.

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Notes to Editors:

About Arts Alliance Media:

- Arts Alliance Media (AAM), based in London, is Europe's leading provider of digital film distribution services, dedicated to building a European digital network to deliver film to the cinema, to the home and between industry players.

- For Download-to-Rent and Download-to-Own, AAM provides ISPs, media companies and e-tailers with turn key solutions for acquiring rights and securely distributing digital video content over the internet to their audiences, powered by the Vizumi Network.
- Arts Alliance Media has digital distribution deals with Universal Pictures, Sony, Warner Bros., Twentieth Century Fox, Momentum, Icon, Fremantle, Tartan, Discovery Networks, and Revolver Entertainment, amongst others.
- AAM owned LOVEFiLM.com, Europe's largest online DVD rental company, until the LOVEFiLM/Video Island merger in April 2006. AAM remains the largest single shareholder of LOVEFiLM International, the merged company, and provides the technology and content for digital distribution.
- For digital cinema, AAM provides end-to-end digital cinema solutions encompassing equipment selection, financing and integration, operator training, installation and support, and content management and delivery.
- In February 2005, Arts Alliance Digital Cinema won the UK Film Council contract to install and operate 240 digital screens, the world's first 2k digital cinema network.
- AAM is participating in two digital cinema trials in Europe, one in the UK at the Odeon Surrey Quays multiplex since February 2007, and the other in Norway, in various cinemas across the country, since April 2006.
- For more information, visit: www.artsalliancemediacom.com and www.vizumi.com

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