



NCircle Entertainment and Taffy Entertainment Expand Strategic Relationship

NCircle Adds New 'Chloe's Closet' Kids' Brand to Library

DALLAS, Tex. – October 06, 2008 – Expanding upon their existing relationship, NCircle Entertainment, a division of media and marketing services company, Source Interlink Companies, Inc. (NASDAQ: SORC), today announced a new multi-year DVD brick-and-mortar and online retail distribution agreement with The MoonScoop Group's Taffy Entertainment. NCircle will assume responsibility for the DVD roll-out of the new children's series "Chloe's Closet" in North America. NCircle has already begun elevating the North American presence of Taffy Entertainment's preschool "Dive Olly Dive!" series since June.

"We are delighted to extend our partnership with Taffy Entertainment to include 'Chloe's Closet,'" said Debbie Ries, Senior Vice President and General Manager, NCircle Entertainment. "We were immediately drawn to the imaginative little girl named Chloe who discovers new worlds while playing dress-up in her closet. The character, storylines and educational content make this an exciting addition to the NCircle portfolio."

"Chloe's Closet" follows the fun-filled adventures of an adorable, imaginative little girl named Chloe who discovers magical new worlds while playing dress-up in her closet. With each new costume Chloe tries on, she is swept up in a fantastical journey with her best friend and constant companion, her security blanket named Lovely Carrot. Chloe's experiences also encourage the audience to celebrate how delightful it is to be a little kid embarking upon a fabulously fun and fearless, anything-can-happen journey -- while also exploring the exciting realm of preschool math. The majority of each episode is devoted to Chloe's imaginary world, where the world of make believe is engaged once her closet doors open and a costume donned, while Chloe's real-life bookends the stories. The show is produced in 3D CGI and Flash animation by Mike Young Productions, in association with Finance Wales, S4C, KI.KA,ARD, TrickCompany, European Film Partners, B.V., Animation Dimension and Telegael.

"NCircle is one of the premiere boutique distributors with an in-depth understanding of the children's home entertainment space," said Lionel Marty, President, Worldwide Sales for Taffy Entertainment. "We are confident that through this partnership, we will see continued growth and an expanded presence of our programming in the U.S. and Canada."

An exciting mathematical curriculum is woven seamlessly and organically into the episodes, engaging kids and encouraging them to probe various age-appropriate topics such as: Numbers (recognition and counting); Patterns, Reasoning (following a sequence of events, sorting, putting in order, pattern making and recognition); Geometry (shape recognition, size recognition, directional words); Measurement (using a measuring cup, scale or ruler, comparing sizes and weights, and subtracting or adding from a group to make less or more); Theorizing (organizing and grouping items into different categories, hypothesizing why things are the way they are, and

testing in order to prove our hypotheses/theories). "Chloe's Closet" supports audience participation and effortlessly makes math fun!

For more information on NCircle or where to purchase additional Taffy Entertainment titles, please visit www.ncircleentertainment.com.

About NCircle Entertainment

NCircle Entertainment, a division of Alliance Entertainment, LLC, licenses, manufactures and distributes family and children's programming and related images for home entertainment and consumer products. Alliance maintains the largest in-stock catalog of CDs and DVDs in the U.S. - a combined total of more than 335,000 titles. The Company was named the 2007 Large Wholesaler of the Year by the National Association of Recording Merchandisers (NARM).

Alliance is a subsidiary of Source Interlink Companies, Inc. (NASDAQ: SORC), a media and marketing services company, one of the largest publishers of magazines and online content for enthusiast audiences and a leading distributor of home entertainment products, including DVDs, music CDs, magazines, video games, books, and related items. Source Interlink serves more than 100,000 retail store locations throughout North America. Supply chain relationships include consumer goods advertisers, subscribers, movie studios, record labels, magazine and newspaper publishers, confectionary companies and manufacturers of general merchandise. You can learn more about Alliance at www.aent.com and Source Interlink at www.sourceinterlink.com.

About Taffy Entertainment

Part of The MoonScoop Group, Taffy Entertainment (www.TaffyEntertainment.com) is a leading worldwide distribution, brand management and entertainment company representing brands from some of the largest animation producers across the globe. This includes the prolific Mike Young Productions; MoonScoop Productions, the top producer of animation in Europe; and select properties from third parties. Taffy's library for distribution and/or consumer products includes the Emmy® Award-nominated series "ToddWorld," "Dive Olly Dive!" and "Growing Up Creepie," as well as "Pet Alien," "Titeuf" (TooTuff), "Mix Master," "Fantastic Four," "Code Lyoko" and "Casper," among many others. With offices in Paris and Los Angeles, the company has fully-integrated production, distribution, licensing, merchandising and marketing facilities. It also has a library that includes over 3,000 half hours of animation, encompassing some of the most recognizable worldwide brands and best-loved animated creations in the global television market. The company also distributes to leading broadcasters in 160 countries around the world.

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