

MOVIE GALLERY, INC.
Vendor/Supplier FAQ

1) Does Movie Gallery, Inc. (MGI) have the liquidity to meet its obligations to vendors/suppliers?

Yes. We received interim Court approval to utilize our cash on hand to maintain ongoing operations pending a final hearing. Vendors/suppliers can expect to receive payment for all goods and services they provide us after our filing.

2) Will vendors/suppliers be paid for goods and services delivered prior to the filing date?

No. Unfortunately, federal law prohibits us from paying for goods or services received or performed on or before the date on which we filed for Chapter 11, February 2, 2010. We regret any hardship this causes our vendors/suppliers. These claims will be addressed in the course of the bankruptcy process.

However, vendors/suppliers can expect to receive payment for all goods and services they provide us after our filing. In fact, the Bankruptcy Code gives priority status to such payments.

3) Will you pay invoices according to the same schedule used before the Chapter 11 filing?

Vendors/suppliers can expect to receive timely payment for all goods and services they provide us after our filing.

4) Will MGI continue to order goods and services?

We will continue to operate our business during the restructuring process, and therefore will continue to order and pay for goods and services to meet our business needs. We urge vendors/suppliers to discuss future business with their direct contacts.

We received interim Court approval to utilize our cash on hand to maintain ongoing operations pending a final hearing. Vendors/suppliers can expect to receive payment for all goods and services they provide us after our filing.

5) Why should vendors/suppliers continue to sell goods and services to MGI?

We value our relationships with our vendors/suppliers and are committed to continuing to work with them. We received interim Court approval to utilize our cash on hand to maintain ongoing operations pending a final hearing. Vendors/suppliers can expect to receive payment for all goods and services they provide us after our filing.

We intend to emerge from the restructuring process with a new and sustainable business model centered on a smaller base of profitable stores, enabling us to be a valuable business partner for many years to come.

6) Where should vendors/suppliers send their letters of reclamation?

Vendors/suppliers can visit the Web site of our claims agent: www.kccllc.net/moviegallery. They can also email the claims agent at moviegalleryinfo@kccllc.com, or call them at 888-647-1730.

7) How do vendors/suppliers file a proof of claim?

We are preparing a complete list of creditors. The official notice of the filing and the Meeting of Creditors will soon be sent to all listed creditors. All listed creditors will also be sent a form for filing a proof of claim at a later date. Vendors/suppliers can visit the Web site of our claims agent: www.kccllc.net/moviegallery. They can also email the claims agent at moviegalleryinfo@kccllc.com, or call them at 888-647-1730.

8) Where can vendors/suppliers go for more information about the filing and restructuring?

We are committed to providing timely updates throughout the restructuring process as developments arise. Additional information is available on restructuring Web pages of the Movie Gallery (www.moviegallery.com/restructure) and Hollywood Video (www.hollywoodvideo.com/restructure) sites, or at the Web site of our claims agent: www.kccllc.net/moviegallery. Vendors/suppliers can also call their direct contacts with any questions.