

## ALLIANCE DISTRIBUTORS WELCOMES MATT SUGHRUE AS METAVERSAL STUDIOS' VICE PRESIDENT OF PRODUCT DEVELOPMENT

For Immediate Release

New York, New York – January 20, 2011 – Alliance Distributors Holding Inc. (Pink Sheets: ADTR.PK), a distributor of interactive video games and gaming products, today announced that Metaversal Studios, its content development arm, has hired Matt Sughrue as Vice President of Product Development.

Matt is a game industry veteran with nineteen years of experience planning and managing projects, teams and studios on both the publishing and development sides of the business for companies including Atari, Vivendi, Foundation 9, Creat Studios and Seven45 Studios. He has worked on game titles spanning nearly every platform, with original IP as well as major licensed properties from Nascar, Disney, and Nickelodeon.

Matt stated, "I'm excited to be a part of Metaversal Studios and to lead their team of talented developers in the creation of innovative and addictive games with strong digital brands."

Jay Gelman, Chairman and Chief Executive Officer, commented "We are delighted to have Matt take the leadership position at Metaversal. The mobile gaming business continues to grow, and I am confident that Matt's experience and skill set will help Metaversal maximize its potential."

Metaversal Studios, based in Cambridge, Massachusetts, develops casual games with a focus on mobile and online platforms. Game titles by Metaversal Studios include Bad Apples, Shave Me!, Frank Further and GameRoom.

About Alliance Distributors Holding Inc.

Alliance Distributors Holding Inc. ([www.alliancedistributors.com](http://www.alliancedistributors.com)), which does business as Alliance Distributors, is a full-service wholesale videogame distributor, specializing in gaming products and accessories for all key manufacturers and 3rd party publishers. Alliance Distributors offers support on: PS3, PSP, PS2, X-Box 360, Wii, DS and GBA SP, peripherals and software titles. Alliance develops downloadable and social content video games through Metaversal Studios ([www.metaversalstudios.com](http://www.metaversalstudios.com)), which it wholly-owns.

Safe Harbor

Certain statements contained in this press release contain forward-looking statements including without limitation, statements concerning our operations, economic performance, and financial condition. The words "estimate," "believe," "expect," "should" and "anticipate" and other similar expressions generally identify forward-looking statements, which speak only as of their dates.

Investors are cautioned that all forward-looking statements, which are based largely on our current expectations, involve risks and uncertainty. Actual results, events and circumstances (including future performance, results and trends) could differ materially from those set forth in such statements due to various factors, risks and uncertainties, including without limitation, risks associated with technological change, competitive factors and general economic conditions,

including the related impact on discretionary consumer spending, changes in marketing and distribution strategies by manufacturers, continued shortages of new platform systems, timely development and release of video game products we produce, potential cost overruns in our development of video games, ability to protect our intellectual property rights, potential claims that we have infringed the intellectual property rights of others, market acceptance of games we develop, ability to realize anticipated benefits of acquisitions, potential undiscovered liabilities of companies that we acquire, changes in our business or growth strategy, the emergence of new or growing competitors, various other competitive and technological factors. There can be no assurance that the results referred to in the forward-looking statements contained in this release will occur. The Company has no duty and undertakes no obligation to update any forward-looking information, whether as a result of new information, future developments or otherwise.

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