

FOR IMMEDIATE RELEASE

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COURT CONFIRMS MUZAK'S PLAN OF REORGANIZATION

Company to Emerge From Chapter 11 by the End of January

Plan Reduces Outstanding Debt by More Than Half

FORT MILL, SC — Muzak Holdings LLC and certain of its subsidiaries (together, the “Company”) today announced that the United States Bankruptcy Court for the District of Delaware (the “Court”) has confirmed the Company’s Plan of Reorganization (the “Plan”), clearing the way for the Company to emerge from Chapter 11 by the end of January. The Plan, which was unanimously supported, will result in the Company’s outstanding debt being reduced by more than half to \$230 million and the Company’s annual interest expense also being significantly reduced.

“The Court’s confirmation of our Plan is a great achievement for Muzak and reflects our tireless efforts in gaining the support of each of our creditor constituencies,” said Stephen P. Villa, Chief Executive Officer of Muzak. “We are very proud of what we have accomplished during our restructuring and believe that our stakeholders’ support and the Court’s confirmation of our restructuring provide the foundation for Muzak to emerge from Chapter 11 as a stronger and more competitive company. I would like to thank our employees, clients, affiliates, advisors and all of our stakeholders and I am confident that, upon emergence, Muzak will be well-positioned for continued leadership and innovation.”

Mr. Villa continued, “With our strengthened capital structure, we will continue investing in new talent and technology to provide innovative new offerings and to further enhance the first class products and services that our clients have come to expect from Muzak.”

As part of the Confirmation, the Court also approved Muzak’s previously announced \$108.75 million Senior Secured Exit Financing Facility commitment from GE Capital, Restructuring Finance, Silver Point Finance, LLC and MFC Global Investment Management. The commitment will be used to satisfy the claims of the Company’s prepetition senior secured lenders under the Company’s Plan, to fund working capital and for other general corporate purposes.

Additional information about Muzak’s restructuring is available at the Company’s website, www.muzak.com/restructuring. Access to court documents and other general information about the Chapter 11 cases, is available at <http://chapter11.epiqsystems.com/muzak>.

Kirkland & Ellis LLP is serving as legal advisor and Moelis & Company is serving as financial advisor to the Company.

About Muzak

For more than 75 years, Muzak has continued to lead the media solutions industry. By acquiring, designing and delivering rich media-based solutions to clients worldwide, our services reach over 100 million people every day. Through 200 sales and service offices, Muzak designs and installs Digital Signage networks, leading drive-thru equipment and professional sound systems to a variety of clients in the retail, hospitality and restaurant industries. For more information, visit www.muzak.com.

Forward Looking Statements –

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to the safe harbor provisions created by that Act. In addition, forward-looking statements may be made orally in the future by or on behalf of the Company. Forward-looking statements can be identified by the use of terms such as "expects", "should", "may", "believes", "anticipates", "will", and other future tense and forward-looking terminology. There can be no assurance as to the actual results of the undertakings described herein. These forward-looking statements are made only as of the date of this report, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

Readers are cautioned that actual results may differ materially from those projected as a result of certain risks and uncertainties including those contained in the risk factor and safe harbor disclosures found in our most recent financial reports and releases available at <http://info.muzak.com/investor/>. These forward-looking statements are made only as of the date of this report, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.