

CASE NAME: MOVIE GALLERY, INC., ET AL.
CASE NUMBER: 10-30696
JUDGE: CHIEF JUDGE DOUGLAS O. TICE JR.

ACCRUAL BASIS

## UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF VIRGINIA

RICHMOND DIVISION

## MONTHLY OPERATING REPORT

MONTH ENDING: MARCH 8, 2010 TO APRIL 4, 2010

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE, EXCEPT FOR PENDING AND POTENTIAL MATERIAL VALUATION ADJUSTMENTS TO ASSETS IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES PURSUANT TO ASC 330, ASC 350, AND ASC 360. IN ADDITION, ASSET AND LIABILITY BALANCES ARE SUBJECT TO POTENTIAL MATERIAL ADJUSTMENTS BASED UPON THE FINAL RESULTS OF THE COMPANY'S FISCAL YEAR 2009 FINANCIAL STATEMENT AUDIT CONDUCTED BY ITS INDEPENDENT AUDITORS. THIS DECLARATION IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

## RESPONSIBLE PARTY:

/S/ STEVEN C. SHORT  
ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

VICE PRESIDENT - CONTROLLER  
TITLE

STEVEN C. SHORT  
PRINTED NAME OF RESPONSIBLE PARTY

APRIL 30, 2010  
DATE

## PREPARER:

/S/ JUSTIN T. PYNE  
ORIGINAL SIGNATURE OF PREPARER

DIRECTOR OF FINANCIAL REPORTING  
TITLE

JUSTIN T. PYNE  
PRINTED NAME OF PREPARER

APRIL 30, 2010  
DATE



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**Movie Gallery, Inc.**  
**(Debtor-in-Possession)**  
**Consolidated Balance Sheet**  
**(Excluding International Operations)**  
**(Unaudited, in thousands)**

		<u>April 4, 2010</u> <u>Consolidated</u>
<b><u>ASSETS</u></b>		
Current assets:		
Cash and cash equivalents	\$	96,029
Merchandise inventory		55,625
Prepaid expenses		23,921
Accounts receivable and other		3,979
Assets held for sale		430
Total current assets		179,984
Rental inventory, net		116,801
Property, furnishings and equipment, net		22,225
Goodwill		95,852
Other intangibles, net		17,984
Deferred income tax asset, net		1,126
Deposits and other assets		26,671
Investment in subsidiaries		38,258
Total assets	\$	498,901
<b><u>LIABILITIES AND STOCKHOLDERS' DEFICIT</u></b>		
Current liabilities:		
Current maturities of long-term obligations	\$	55,000
Accounts payable		32,849
Intercompany payable		338
Accrued liabilities		29,613
Accrued payroll		12,464
Accrued interest		46
Deferred revenue		36,537
Total current liabilities		166,847
Lease liability on closed stores		902
Other accrued liabilities		5,960
Total liabilities not subject to compromise		173,709
Liabilities subject to compromise		816,034
Total liabilities		989,743
Stockholders' deficit:		
Common stock, \$.001 par value		37
Additional paid-in capital		386,843
Accumulated deficit		(869,827)
Accumulated other comprehensive loss		(7,895)
Total stockholders' deficit		(490,842)
Total liabilities and stockholders' deficit	\$	498,901

**Movie Gallery, Inc.**  
**(Debtor-in-Possession)**  
**Consolidated Statement of Operations**  
**(Excluding International Operations)**  
**(Unaudited, in thousands)**

	<b>4 weeks ended</b>
	<b>April 4, 2010</b>
<b>Revenue:</b>	
Rentals	\$ 73,655
Product sales	18,928
	92,583
<b>Cost of Sales:</b>	
Cost of rental revenues	39,255
Cost of product sales	16,922
	56,177
<b>Gross margin</b>	36,406
<b>Gross margin %</b>	39.3%
<b>Rental margin</b>	34,400
<b>Rental margin %</b>	46.7%
<b>Product margin</b>	2,006
<b>Product margin %</b>	10.6%
<b>Operating costs and expenses:</b>	
Store operating expenses	144,864
General and administrative	6,249
Amortization of intangibles	310
	151,423
<b>Operating loss</b>	(115,017)
Interest expense, net	1,250
Loss before reorganization items and income taxes	(116,267)
Reorganization items, net	(45,647)
Loss before income taxes	(70,620)
Income taxes	157
<b>Net loss</b>	<b>\$ (70,777)</b>

**Movie Gallery, Inc.**  
**(Debtor-in-Possession)**  
**Consolidated Statement of Operations**  
**(Excluding International Operations)**  
**(Unaudited, in thousands)**

	<b>February 3, 2010 to April 4, 2010</b>
<b>Revenue:</b>	
Rentals	\$ 172,593
Product sales	45,349
	217,942
<b>Cost of Sales:</b>	
Cost of rental revenues	78,752
Cost of product sales	40,330
	119,082
<b>Gross margin</b>	98,860
<b>Gross margin %</b>	45.4%
<b>Rental margin</b>	93,841
<b>Rental margin %</b>	54.4%
<b>Product margin</b>	5,019
<b>Product margin %</b>	11.1%
<b>Operating costs and expenses:</b>	
Store operating expenses	207,670
General and administrative	13,956
Amortization of intangibles	664
Intercompany charges	(526)
	221,764
<b>Operating loss</b>	(122,904)
Interest expense, net	2,799
Loss before reorganization items and income taxes	(125,703)
Reorganization items, net	(100,766)
Loss before income taxes	(24,937)
Income taxes	168
<b>Net loss</b>	<b>\$ (25,105)</b>

**Movie Gallery, Inc.**  
**(Debtor-in-Possession)**  
**Consolidated Statement of Cash Flows**  
**(Excluding International Operations)**  
**(Unaudited, in thousands)**

		<b>4 weeks ended April 4, 2010</b>
<b>Operating Activities</b>		
Net loss	\$	(70,777)
Adjustments to reconcile net loss to net cash provided by operating activities		
Rental inventory amortization		32,443
Purchases of rental inventory		(6,577)
Reorganization items, net		(51,460)
Depreciation and intangibles amortization		1,295
Loss on closed store write-offs		1,103
Gain on disposal of property, furnishings, equipment		(1,402)
Amortization of debt issuance cost		926
Stock based compensation		50
Changes in operating assets and liabilities		
Merchandise inventory		9,358
Other current assets		2,817
Deposits and other assets		1,248
Accounts payable		(8,149)
Accrued interest		(396)
Lease liability on closed stores		119,040
Other accrued liabilities and deferred revenue		(4,461)
Net cash provided by operating activities		25,058
<b>Investing Activities</b>		
Purchases of property, furnishings and equipment, net		23
Proceeds from disposal of property, furnishings and equipment		1,402
Net cash provided by investing activities		1,425
<b>Financing activities</b>		
Net borrowings (repayments) on revolving credit facilities		(45,000)
Change in intercompany payable		(406)
Net cash used in financing activities		(45,406)
Decrease in cash and cash equivalents		(18,923)
Cash and cash equivalents at beginning of period		114,952
Cash and cash equivalents at end of period	\$	96,029

**Movie Gallery, Inc.**  
**(Debtor-in-Possession)**  
**Consolidated Statement of Cash Flows**  
**(Excluding International Operations)**  
**(Unaudited, in thousands)**

		<u>February 3, 2010 to</u> <u>April 4, 2010</u>
<b>Operating Activities</b>		
Net loss	\$	(25,105)
Adjustments to reconcile net loss to net cash provided by operating activities		
Rental inventory amortization		60,817
Purchases of rental inventory		(17,164)
Reorganization items, net		(113,278)
Depreciation and intangibles amortization		3,085
Loss on closed store write-offs		5,939
Gain on disposal of property, furnishings, equipment		(2,140)
Amortization of debt issuance cost		1,983
Stock based compensation		37
Changes in operating assets and liabilities		
Merchandise inventory		23,226
Other current assets		(12,015)
Deposits and other assets		1,902
Accounts payable		7,864
Accrued interest		(929)
Lease liability on closed stores		158,241
Other accrued liabilities and deferred revenue		4,413
Net cash provided by operating activities		<u>96,876</u>
<b>Investing Activities</b>		
Purchases of property, furnishings and equipment, net		21
Proceeds from disposal of property, furnishings and equipment		2,140
Net cash provided by investing activities		<u>2,161</u>
<b>Financing activities</b>		
Net borrowings(repayments) on revolving credit facilities		(45,000)
Change in intercompany payable		(1,545)
Net cash used in financing activities		<u>(46,545)</u>
Increase in cash and cash equivalents		52,492
Cash and cash equivalents at beginning of period		43,537
Cash and cash equivalents at end of period	\$	<u><u>96,029</u></u>

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ACCRUAL BASIS-4

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	2/7/2010	3/7/2010	4/4/2010
1. 0-30		2,156,350	2,383,013	2,017,636
2. 31-60		469,169	676,648	583,763
3. 61-90		379,906	301,036	461,475
4. 91+		2,037,328	1,898,685	2,268,270
5. TOTAL ACCOUNTS RECEIVABLE		5,042,753	5,259,382	5,331,144
6. AMOUNT CONSIDERED UNCOLLECTIBLE		1,534,998	1,482,062	1,482,571
7. ACCOUNTS RECEIVABLE (NET)		3,507,755	3,777,320	3,848,573

AGING OF POSTPETITION TAXES AND PAYABLES						MONTH: MARCH 8, 2010 TO APRIL 4, 2010
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL	
1. FEDERAL	2,184,676	-	-	-	2,184,676	
2. STATE	5,877,990	-	-	-	5,877,990	
3. LOCAL	1,757,394	-	-	-	1,757,394	
4. OTHER (ATTACH LIST) - SEE EXHIBIT A	1,024,043	-	-	-	1,024,043	
5. TOTAL TAXES PAYABLE	10,844,103	-	-	-	10,844,103	
6. ACCOUNTS PAYABLE	19,634,585	13,980,282	(765,450)	-	32,849,417	

STATUS OF POSTPETITION TAXES						MONTH: MARCH 8, 2010 TO APRIL 4, 2010
FEDERAL	BEGINNING TAX LIABILITY	AMOUNT WITHHELD AND/OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY		
1. WITHHOLDING	407,943	1,084,143	861,094	630,992		
2. FICA-EMPLOYEE	520,889	1,311,036	1,081,439	750,486		
3. FICA-EMPLOYER	521,699	1,312,111	1,081,441	752,369		
4. UNEMPLOYMENT	43,545	92,484	85,200	50,829		
5. INCOME	-	-	-	-		
6. OTHER (ATTACH LIST) - SEE EXHIBIT A	-	-	-	-		
7. TOTAL FEDERAL TAXES	1,494,076	3,799,774	3,109,174	2,184,676		
<b>STATE AND LOCAL</b>						
8. WITHHOLDING	194,857	451,066	388,131	257,792		
9. SALES	5,303,721	6,239,738	6,121,578	5,421,881		
10. EXCISE	-	-	-	-		
11. UNEMPLOYMENT	154,577	355,684	311,944	198,317		
12. REAL PROPERTY	-	-	-	-		
13. PERSONAL PROPERTY	1,729,079	303,125	274,810	1,757,394		
14. OTHER (ATTACH LIST) - SEE EXHIBIT A	786,010	276,144	38,111	1,024,043		
15. TOTAL STATE & LOCAL	8,168,244	7,625,757	7,134,574	8,659,427		
16. TOTAL TAXES	9,662,320	11,425,531	10,243,748	10,844,103		

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EXHIBIT A

AGING OF POSTPETITION TAXES AND PAYABLES					MONTH:	MARCH 8, 2010 TO APRIL 4, 2010
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL	
1. STATE AND LOCAL INCOME TAXES	1,172,408	-	-	-	1,172,408	
2. FRANCHISE TAXES	(164,203)	-	-	-	(164,203)	
3. OTHER LOCAL PAYROLL TAXES	15,838	-	-	-	15,838	
4. TOTAL OTHER TAXES PAYABLE	1,024,043	-	-	-	1,024,043	

STATUS OF POSTPETITION TAXES		MONTH:				MARCH 8, 2010 TO APRIL 4, 2010
STATE AND LOCAL		BEGINNING TAX LIABILITY	AMOUNT WITHHELD AND/ OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY	
5..	STATE AND LOCAL INCOME TAXES	1,021,834	157,547	6,973	1,172,408	
6.	FRANCHISE TAXES	(243,219)	95,904	16,888	(164,203)	
7.	OTHER LOCAL PAYROLL TAXES	7,395	22,693	14,250	15,838	
8.		-	-	-	-	
9.		-	-	-	-	
10.		-	-	-	-	
11.		-	-	-	-	
12.	TOTAL OTHER STATE & LOCAL	786,010	276,144	38,111	1,024,043	



CASE NAME: MOVIE GALLERY, INC., ET AL.
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**ACCRUAL BASIS-5**

The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax accounts, as well as all savings and investment accounts, money market accounts, certificates of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

MONTH: MARCH 8, 2010 TO APRIL 4, 2010

<b>BANK RECONCILIATIONS</b>		Account #1	Account #2	Account #3	
A. BANK:	See Exhibit B				TOTAL
B. ACCOUNT NUMBER:					
C. PURPOSE (TYPE):					
1. BALANCE PER BANK STATEMENT					
2. ADD: TOTAL DEPOSITS NOT CREDITED					
3. SUBTRACT: OUTSTANDING CHECKS					
4. OTHER RECONCILING ITEMS					
5. MONTH END BALANCE PER BOOKS				\$ 95,022,259	
6. NUMBER OF LAST CHECK WRITTEN					

<b>INVESTMENT ACCOUNTS</b>				
BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENTS				

<b>CASH</b>	
12. CURRENCY ON HAND	1,006,430
13. TOTAL CASH - END OF MONTH	96,028,689

CASE NAME: MOVIE GALLERY, INC., ET AL.  
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EXHIBIT B

GL#	Account Name	Bank Balance	Deposits in		Other Adjustments	Book Balance
			Transit/Adjustments to Bank	O/S Checks/Adjustments to Book		
110	BofA - Payroll Direct Deposit	204,291	-	(1,428)	-	202,863
112	BofA - Payroll Checks	141,981	(323,136)	69,859	0	(111,295)
182	BofA - Pledged Conc.	5,367,351	-	-	-	5,367,351
236	Wachovia - Concentration	11,216,667	-	(6,530)	-	11,210,137
67	Wachovia - 2000192	-	-	-	(3,234)	(3,234)
365	BofA - Credit Cards	-	4,067,514	132,782	-	4,200,296
365.367	AMEX - Credit Cards	-	44,780	(75,485)	-	(30,705)
365.368	Discover - Credit Cards	-	52,765	(57,297)	-	(4,532)
599	Wachovia - Accounts Payable	-	(6,246,917)	(400)	1,671	(6,245,646)
669	National City - Returned Chks	14,988	12	-	-	15,000
930	Wachovia - Property Tax	-	(48,815)	-	-	(48,815)
120	B of A (Company 01)	-	1,141,275	(35,886)	-	1,105,390
121	Harris Bank, Illinois	-	-	-	850	850
131	Citizens Bank, Michigan	24,380	8,974	(1,228)	-	32,126
132	Citizens Bank of RI	18,312	31,292	(1,323)	(0)	48,280
135	M&I Bank, Wisconsin	4,296	6,340	-	7,741	18,376
137	Pacific Western	7,757	4,715	5,584	-	18,056
139	Sovereign Bank	11,305	3,335	-	(0)	14,641
144	Midsouth Bank	7,030	0	-	(0)	7,030
148	US Bank	73,534	169,972	(11,958)	-	231,548
149	Mutual Federal Savings	-	-	-	-	-
151	CapitalOne	4,170	1,983	5,897	-	12,051
153	Century National Bank	-	-	-	-	-
165	Huntington Bank, Ohio	2,785	2,077	-	(0)	4,862
235	Wachovia Bank	-	107,450	(16,530)	-	90,920
240	IBOC	17,581	36,950	(814)	0	53,717
285	HSBC	31,991	36,936	(1,768)	(0)	67,158
325	Regions Bank	40,114	77,420	(11,232)	-	106,303
470	Key Bank	52,962	22,265	28,838	(0)	104,065
510	Comerica Bank	8,069	3,222	3,124	-	14,415
535	Zions Bank	7,848	2,044	7,330	(0)	17,221
617	Kentucky Bank	1,507	1,788	-	-	3,295
622	Fifth Third Bank	44,137	69,307	(13,730)	-	99,713
625	Wells Fargo	80,211	155,678	(6,191)	(8,416)	221,281
635	Wells Fargo Bank	64,507	114,328	(6,091)	573	173,317
641	SunTrust Bank	2,233	39	(702)	-	1,570
647	TCF National Bank, Illinois	14,203	6,466	5,196	-	25,865
652	Skylands Comm Bank	3,821	-	(600)	-	3,221
662	Bank North	6,891	5,048	(599)	-	11,340
675	PNC Bank	54,749	71,447	(10,447)	-	115,749
695	UMB Bank, Colorado	93,835	8,484	-	-	102,318
705	NCB, Michigan/Illinois	48,282	71,970	(16,036)	-	104,216
765	1st National Bank of Texas	5,607	3,304	15,489	-	24,400
785	Sovereign Bank	3,314	5,826	-	-	9,140
791	M&T Bank	4,185	1,941	3,277	-	9,403
793	Advantage Bank	50	-	-	-	50
910	Commerce Bank	7,130	855	3,662	-	11,647
920	Wells Fargo Bank	87,775	106,737	(1,476)	9,300	202,335
50.373 / 50.533	National City (Provident) NSF 471558 / PNC x-6395	10,537	151	131	-	10,819
50.454	Concentration: 1326	75,625,202	-	-	-	75,625,202
54	0054.000 Credit Card: Wachovia 3400	-	2,223,680	66,476	-	2,290,155
54.367	0054.367 Amex Credit Card: 3400	-	32,689	(9,237)	-	23,452
54.368	0054.368 Discover Credit Card: 3400	-	36,613	(44,015)	-	(7,402)
55.02	Accounts Payable: 5135	-	(3,615,092)	460	-	(3,614,632)
56.07	Payroll: 8942	-	(67,406)	8,772	-	(58,634)
58	Property Tax: 1653 Marvin Poer	-	(13,566)	-	-	(13,566)
50.001	Citibank	6,174	2,399	10,436	(1,087)	17,923
50.002	Liberty Bank of Arkansas	500	-	-	-	500
50.003	1st Bank and Trust	2,255	1,895	-	-	4,150
50.004	Glacier Bank	1,640	503	2,407	-	4,550
50.005	1st Community Bank	1,671	130	806	-	2,607
50.006	1st Louisiana National Bank	3,898	4,590	(5,372)	(0)	3,116
50.007	First Community Bank	961	145	1,507	-	2,612
50.008	Aliant Bank	500	1,200	-	-	1,700
50.009	Alma Exchange Bank & Trust	1,523	1,621	-	-	3,144
50.011	American Bank	3,714	4,471	-	-	8,185
50.013	American Heritage Bank	1,626	1,571	-	-	3,197
50.015	American State Bank	3,614	10,053	-	(0)	13,666
50.017	Anchor Bank	500	-	-	-	500
50.018	Anchor Bank	4,054	2,833	(1,624)	-	5,263
50.02	Anna State Bank	1,985	1,511	-	(11)	3,485
50.021	Armed Forces Bank	982	547	-	(0)	1,530
50.023	Austin Bank Texas	1,488	499	4,568	-	6,554
50.024	BancFirst	4,621	6,798	(768)	(283)	10,369
50.025	BancorpSouth	17,961	37,496	(945)	(3,816)	50,697
50.026	Bangor Savings Bank	3,086	1,309	3,556	(0)	7,950
50.027	Bank Iowa	500	0	(3,100)	(0)	(2,600)
50.028	Bank Midwest	3,555	8,356	(67)	-	11,844
50.03	Bank of America	67,625	151,761	(5,910)	(15,066)	198,409
50.034	Colony Bank	3,682	5,397	-	-	9,079

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EXHIBIT B

GL#	Account Name	Bank Balance	Deposits in		Other Adjustments	Book Balance
			Transit/Adjustments to Bank	O/S Checks/Adjustments to Book		
50.035	Ga Bk of Dawson/Bk of Early	492	-	-	-	492
50.041	Magnolia Bank	3,195	1,783	-	(0)	4,978
50.045	EVB	3,799	579	1,811	(568)	5,620
50.046	Bank of Odessa	879	207	1,877	-	2,963
50.047	Bank of Ohio County	1,073	145	2,109	-	3,328
50.048	Bank of Pocahontas	-	-	-	-	-
50.05	Bank of the Ozarks	2,534	2,559	-	(96)	4,998
50.051	Bank of the West	4,840	1,423	7,038	(93)	13,208
50.053	Bank of Whitman	1,721	-	-	-	1,721
50.058	TD BankNorth	4,801	4,004	-	-	8,805
50.059	Banterra Bank	5,660	6,625	(397)	20	11,908
50.061	BB&T	45,225	91,473	(17,928)	(6,261)	112,510
50.066	Seacoast National Bank	1,924	676	3,133	-	5,733
50.067	Suaqehanna Bank	1,521	-	-	-	1,521
50.068	Camden National Bank	3,283	1,515	1,742	-	6,541
50.069	Canandaigua National Bank	493	-	-	-	493
50.07	Capital City Bank	5,566	1,232	6,072	(0)	12,870
50.073	Carolina First	447	-	-	-	447
50.075	Central Bank	1,108	278	1,905	-	3,291
50.076	Central Bank	3,492	7,781	-	(0)	11,273
50.079	Century Bank	2,795	2,665	-	-	5,460
50.083	Citizens & Savings Bank	2,727	728	2,177	(0)	5,632
50.085	Citizens & Farmers Bank	1,985	447	2,943	-	5,375
50.086	Citizens Bank & Trust	18,510	817	(5,622)	5	13,710
50.091	Citizens Bank	1,973	807	8,778	-	11,558
50.093	Citizens Bank	1,118	237	1,905	-	3,261
50.096	Citizens Bank & Trust	2,359	2,008	-	-	4,367
50.099	Citizens Bank-Geneva	1,039	132	1,546	-	2,717
50.101	Citizens National Bank	1,442	1,148	-	-	2,590
50.102	Citizens National Bank	1,070	195	1,482	-	2,746
50.103	Citizens State Bank	1,039	1,289	-	-	2,328
50.106	Citizens Tri-County Bank	2,135	212	2,499	-	4,847
50.107	Mercantile Bank	3,093	-	(475)	-	2,618
50.108	City National Bank	2,910	245	(1,239)	(0)	1,916
50.11	Claxton Bank	1,863	1,952	-	-	3,815
50.113	Colonial Bank	7,004	6,276	(246)	0	13,034
50.114	Colorado Valley Bank	1,222	365	2,122	-	3,709
50.115	Comerica Bank	1,439	1,446	-	-	2,885
50.117	Commerce Bank	3,994	4,987	-	-	8,981
50.118	Commercial Savings Bank	-	-	-	-	-
50.119	Commercial State Bank	3,033	3,434	-	-	6,467
50.126	Community National Bank	1,241	112	1,454	(0)	2,806
50.127	Community National Bank	1,570	510	5,074	-	7,154
50.131	Community Trust Bank	4,245	5,055	-	-	9,301
50.132	Compass Bank	8,026	15,481	(674)	(4,674)	18,157
50.134	Corner Bank	2,332	6,013	-	-	8,345
50.135	Cornerstone National Bank	1,010	734	-	-	1,744
50.14	Croghan Colonial Bank	1,516	0	(475)	-	1,041
50.143	Darby Bank & Trust	1,340	406	2,302	-	4,048
50.144	DeWitt Bank & Trust	1,177	251	1,776	(0)	3,204
50.149	Farmers & Merchants	983	208	2,217	-	3,408
50.15	Fairfield National Bank	1,799	487	3,069	-	5,355
50.151	Farmers & Merchants Bank	465	0	(1,413)	(0)	(948)
50.153	Farmers and Merchants Bank	1,569	284	3,341	(0)	5,194
50.155	Farmers Bank	2,543	2,886	-	-	5,429
50.156	Fifth Third Bank	28,886	52,113	(2,224)	(803)	77,972
50.157	First American Bank	2,835	847	3,929	-	7,611
50.158	First American Bank	2,642	162	(594)	-	2,210
50.159	First Bank	4,614	7,222	(3,204)	(0)	8,631
50.16	First Bank	994	777	-	-	1,771
50.161	First Bank	-	-	48	-	48
50.163	First Bank & Trust	1,033	333	2,167	-	3,533
50.164	First Bank At Farmersville	1,623	324	2,562	-	4,510
50.166	Frontier National Bank	2,131	665	-	(0)	2,796
50.169	First Citizens Bank	2,010	839	4,232	-	7,081
50.17	First Citizens Bank & Trust	3,363	1,087	(824)	(0)	3,625
50.171	First Citizens National Bank	1,116	246	2,036	-	3,398
50.172	First City Bank	2	-	-	-	2
50.173	First Community Bank	1,216	300	2,733	-	4,249
50.174	First Convenience Bank	1,175	196	3,018	-	4,389
50.175	First Federal Bank	960	158	968	(0)	2,086
50.177	First Federal Savings	837	231	1,597	-	2,665
50.178	First Fidelity Bank, Oklahoma	11	-	-	-	11
50.179	First Financial Bank	3,343	189	(1,102)	-	2,430
50.181	The National Bank	2,558	3,517	-	-	6,076
50.182	First Interstate Bank	2,184	2,102	(442)	-	3,844
50.184	First Liberty Bank	3,896	878	(1,240)	(230)	3,303
50.185	First Lockhart National Bank	2,001	2,124	-	-	4,124
50.186	First National Bank	1,400	1,017	3,147	-	5,564
50.187	First Neighborhood Bank	2,063	165	1,179	(251)	3,156

CASE NAME: MOVIE GALLERY, INC., ET AL.

CASE NUMBER: 10-30696

EXHIBIT B

GL#	Account Name	Bank Balance	Deposits in		O/S		Other Adjustments	Book Balance
			Transit/Adjustments to Bank	Checks/Adjustments to Book	Checks/Adjustments to Book	Other Adjustments		
50.188	Bank First National - Manitowoc	1,597	294	2,382	-	-	4,272	
50.19	First National Bank	2,354	119	1,278	-	-	3,751	
50.191	First National Bank	18	-	-	-	-	18	
50.192	First National Bank	2,107	5,334	(2,872)	(0)	-	4,569	
50.197	First National Bank	25	0	(2,572)	(1,536)	-	(4,083)	
50.199	First National Bank & Trust	-	-	-	-	-	-	
50.2	First National Bank	4,772	551	(1,605)	-	-	3,718	
50.205	1st National Bank	1,828	2,561	-	-	-	4,389	
50.206	First National Bank	797	452	1,027	-	-	2,276	
50.208	FirstBank, Oklahoma	2,586	1,309	3,330	-	-	7,225	
50.211	First National Bank	986	259	2,663	-	-	3,909	
50.212	First National Bank	3,130	284	(440)	-	-	2,974	
50.213	First National Bank	488	-	-	-	-	488	
50.214	Tower Bank	4,278	1,167	(2,784)	-	-	2,661	
50.215	First National Bank	1,110	642	2,517	-	-	4,269	
50.218	First National Bank of Litchfield	1,755	-	-	-	-	1,755	
50.22	First National Bank of Wellston	1,141	348	1,891	-	-	3,381	
50.222	First Savings Bank	989	110	1,056	-	-	2,154	
50.224	First Savings Bank	2,308	690	2,692	-	-	5,690	
50.225	First Security Bank -Flower Mound	2,645	163	(678)	-	-	2,129	
50.226	First Security Bank	1,215	350	2,012	(0)	-	3,578	
50.227	First Southwest Bank	2,147	2,567	-	-	-	4,714	
50.23	First State Bank	2,450	716	4,515	-	-	7,681	
50.231	First State Bank of Livingston	4,072	4,613	(360)	(279)	-	8,045	
50.235	First State Bank & Trust	-	-	-	-	-	-	
50.236	First Trust & Savings	1,029	66	1,884	-	-	2,980	
50.24	First United Bank	3,846	826	1,972	-	-	6,643	
50.241	First United Bank & Trust	5,169	1,218	7,853	-	-	14,239	
50.242	First United Security Bank	2,221	2,721	-	-	-	4,942	
50.243	Firstbank	2,849	1,101	2,705	-	-	6,655	
50.244	FirstMerit Bank	1,116	-	-	-	-	1,116	
50.249	First State Bank Central Texas	2,614	104	(1,066)	-	-	1,652	
50.25	First National Bank of Stigler	1,210	1,233	-	-	-	2,443	
50.253	Franklin State Bank	1,488	2,030	-	-	-	3,518	
50.256	Glennville Bank & Trust	1,128	1,177	-	-	-	2,305	
50.257	Glens Falls National Bank	1,432	1,058	2,366	-	-	4,856	
50.258	Grand Savings Bank	1,652	460	4,030	-	-	6,142	
50.259	Ocean City National Bank	724	543	1,598	(0)	-	2,864	
50.261	Great Plains National Bank	-	-	-	-	-	-	
50.262	Great Western Bank	2,175	274	5,267	-	-	7,717	
50.266	Hancock Bank - MS	1,856	3,579	-	-	-	5,435	
50.267	Hastings City Bank	3,521	6,386	-	-	-	9,907	
50.269	Heritage Bank	1,685	575	(2,027)	(0)	-	233	
50.27	Capitol One	14,160	6,080	17,251	(0)	-	37,492	
50.272	Honor State Bank	1,357	558	2,460	-	-	4,375	
50.273	Horizon Federal Savings	1,108	330	2,590	-	-	4,028	
50.274	HSBC	9,035	3,255	4,901	(1,335)	-	15,857	
50.277	Huntington National Bank	13,951	26,050	-	(0)	-	40,000	
50.278	Huntington National Bank	881	194	1,544	-	-	2,620	
50.279	Idabel National Bank	1,163	508	2,403	-	-	4,074	
50.28	Independent Bank	3,519	989	9,249	-	-	13,758	
50.281	Integra Bank	15,526	7,856	(3,241)	(0)	-	20,141	
50.282	Iowa Sate Bank	2,668	192	(808)	-	-	2,052	
50.283	Jonesboro State Bank	1,491	1,534	-	-	-	3,025	
50.284	Kalamazoo County State Bank	2,487	994	-	-	-	3,481	
50.285	Kau Federal Credit Union	4,872	2,127	(1,771)	-	-	5,227	
50.286	Kearney Trust	2,234	943	1,647	-	-	4,824	
50.287	Key Bank	44,754	79,977	(3,458)	(11,543)	-	109,730	
50.288	Lake City Bank	1,498	352	3,140	-	-	4,989	
50.289	Lake Sunapee Bank	1,400	300	1,631	-	-	3,331	
50.29	Lamesa National Bank	500	-	-	-	-	500	
50.292	Lyons National Bank	494	-	-	-	-	494	
50.293	M & I Madison	5,460	1,924	7,718	(0)	-	15,102	
50.294	M&T Bank	14,372	4,169	10,255	(0)	-	28,797	
50.296	American Bank	479	898	(476)	-	-	901	
50.298	Medina Valley State Bank	925	294	2,241	-	-	3,461	
50.3	Merchants & Farmers Bank	9	-	-	-	-	9	
50.306	MidFirst Bank	5,196	10,320	(16)	(2,487)	-	13,014	
50.307	Midsouth Bank	1,131	1,873	-	-	-	3,003	
50.309	MinnWest Bank Central	882	399	1,554	-	-	2,835	
50.31	Morgantown Bank & Trust	2,653	1,875	-	-	-	4,528	
50.311	Muleshoe State Bank	1,007	196	1,687	-	-	2,890	
50.312	National Bank of Arizona	2,595	1,214	4,388	-	-	8,197	
50.313	National Banks of Central Texas	1,978	598	5,164	(304)	-	7,436	
50.314	National Bank of Andrews	2,895	2,430	(7)	-	-	5,318	
50.316	National Bank of SC	1,635	2,009	(364)	-	-	3,280	
50.318	National Bank of Vernon	486	-	-	-	-	486	
50.321	National City Bank	18,501	38,165	(7,135)	(0)	-	49,530	
50.326	Main Source	2,041	624	3,066	(0)	-	5,732	
50.332	North Valley Bank	1,399	970	1,649	-	-	4,018	

CASE NAME: MOVIE GALLERY, INC., ET AL.

CASE NUMBER: 10-30696

EXHIBIT B

GL#	Account Name	Bank Balance	Deposits in		O/S		Other Adjustments	Book Balance
			Transit/Adjustments to Bank	Checks/Adjustments to Book	Checks/Adjustments to Book	Other Adjustments		
50.334	Northwest Savings Bank	3,785	172	(2,343)	(0)	1,614		
50.335	Oakland Deposit Bank	13	-	-	-	13		
50.337	Old National Bank	6,958	1,012	3,008	(533)	10,445		
50.339	Owen County State Bank	902	283	1,329	(0)	2,513		
50.34	Pacesetter Bank	-	-	-	-	-		
50.343	Pecos County State Bank	1,021	216	1,829	-	3,065		
50.344	PennStar	2,498	3,889	(601)	-	5,787		
50.346	Peoples Bancorp	3,272	2,939	-	-	6,211		
50.347	Peoples Bank	1,436	1,437	-	(0)	2,873		
50.351	Peoples Bank of the Ozarks	1,431	123	1,224	0	2,777		
50.354	Renasant Bank	1,964	1,808	-	-	3,773		
50.356	Peoples Bank, Kansas	496	-	-	-	496		
50.359	Citizens State Bank	1,365	246	2,303	-	3,913		
50.361	Perryton National Bank	1,889	334	4,882	-	7,105		
50.362	Pinnacle Bank	827	66	1,946	-	2,839		
50.363	Pine Bluffs National Bank	36	-	(2)	-	34		
50.364	Pinnacle Bank	2,628	2,675	-	-	5,303		
50.366	Planters & Citizens Bank	-	-	-	5	5		
50.367	Plattsouth State Bank	1,354	1,236	-	1	2,591		
50.368	PNC	30,145	59,096	(8,772)	(51)	80,418		
50.37	Emprise Bank	481	-	-	-	481		
50.371	Priority One Bank	1,763	1,182	-	(0)	2,945		
50.372	Prosperity Bank	4,016	6,121	(4,542)	(0)	5,595		
50.375	Putnam Savings Bank	5,231	1,839	1,364	(0)	8,433		
50.377	Rayne State Bank	943	1,347	-	-	2,290		
50.378	RBC Centura	6,174	2,099	4,735	(2,978)	10,029		
50.38	RCB Bank	2,885	865	7,501	-	11,251		
50.381	Regions Bank	112,512	260,185	(21,576)	847	351,968		
50.386	S&T Bank	6,436	1,795	4,274	-	12,505		
50.388	Sanford Institution for Savings	1,100	217	1,399	-	2,716		
50.39	Security Bank	2,605	237	(1,056)	(57)	1,729		
50.391	Community Bank	1,224	352	3,000	-	4,576		
50.392	Security State Bank	497	-	-	-	497		
50.393	TransPecos Bank	2,808	221	(603)	-	2,427		
50.396	Southeastern Bank	2,144	1,771	-	-	3,916		
50.401	Sovereign Bank	4,047	2,122	-	-	6,168		
50.402	Spirit Bank	1,925	2,476	(271)	-	4,130		
50.405	Stueben Trust Company	2,358	1,995	-	-	4,354		
50.407	SunMark Community Bank	3,289	346	(502)	-	3,133		
50.408	SunTrust	14,900	32,512	(1,263)	(3,762)	42,387		
50.41	Arvest Bank	11,468	24,956	(660)	(7,307)	28,457		
50.413	Tatnell Bank	1,031	286	2,078	-	3,395		
50.415	Texas Gulf Bank	800	178	1,419	(0)	2,398		
50.417	Timberwood Bank	1,274	257	2,514	-	4,045		
50.418	Traders & Farmers Bank	992	322	2,704	-	4,018		
50.419	Trust Bank	25	-	-	-	25		
50.42	TrustMark National Bank	2,476	897	4,221	(0)	7,594		
50.422	Centrue Bank	500	-	-	-	500		
50.424	Union Bank and Trust	2,899	4,648	-	-	7,547		
50.425	Union Bank & Trust	2,493	2,815	-	-	5,309		
50.429	United Bank	1,796	908	-	(1,843)	861		
50.43	United Bank	967	177	773	-	1,916		
50.431	United Bank and Trust	1,017	216	1,642	-	2,875		
50.432	United Bank of Michigan	2,822	3,224	-	(0)	6,046		
50.434	US Bank	93,090	200,801	(20,998)	(5,131)	267,761		
50.435	Valley State Bank	11	0	(684)	(0)	(672)		
50.437	Village Bank	2,805	249	1,031	-	4,085		
50.438	Wakulla Bank	1,679	960	3,975	-	6,614		
50.439	WellsFargo	78,261	141,747	(9,410)	(9,299)	201,298		
50.44	Western Security Bank	1,271	919	2,096	-	4,286		
50.442	Williamsburg First National Bank	41	-	-	-	41		
50.443	Wilmington Trust	6,945	1,913	8,379	-	17,236		
50.444	Wood County National	921	215	1,807	-	2,943		
50.445	Woodsville Guaranty Bank	2,023	510	4,026	-	6,559		
50.446	Yellowstone Bank	2,343	1,885	-	-	4,229		
50.455	West Bend Savings	-	-	-	-	-		
50.456	Farmers Bank	494	-	-	-	494		
50.458	Community Spirit Bank	1,245	230	2,700	-	4,174		
50.461	Community Bank of Johnson City	782	107	1,244	-	2,133		
50.463	Great Southern Bank	-	-	-	-	-		
50.464	First State Community Bank	3,774	4,646	-	-	8,420		
50.466	First National Bank-Sallisaw	969	239	1,870	-	3,078		
50.467	River Bank	1,726	269	2,214	-	4,209		
50.469	Peoples Bank	1,888	1,525	-	(1,088)	2,326		
50.47	First National Bank of Lake Jackson	2,394	1,778	-	-	4,172		
50.471	Five Star Bank	5,450	1,254	5,703	(16,684)	(4,278)		
50.472	Dalton Whitfield Bank	2,055	130	1,142	-	3,327		
50.473	Bremer Bank	1,619	1,341	-	-	2,960		
50.483	Union Colony Bank	2,847	187	(759)	-	2,275		
50.484	Northern Savings and Loan	1,678	460	1,960	-	4,097		

CASE NAME: MOVIE GALLERY, INC., ET AL.

CASE NUMBER: 10-30696

EXHIBIT B

GL#	Account Name	Bank Balance	Deposits in		O/S		Other Adjustments	Book Balance
			Transit/Adjustments to Bank	Checks/Adjustments to Book	Checks/Adjustments to Book	Other Adjustments		
50.486	Merchants and Farmers Bank	1,142	1,671	-	-	-	-	2,813
50.488	Bemiss Citizens Bank	1,771	352	1,086	-	-	-	3,209
50.49	Androscoggin Bank	1,246	407	2,024	-	-	-	3,677
50.494	United Community Bank	3,820	3,959	-	(3,888)	-	-	3,891
50.495	Peoples Bank	1,905	1,894	-	-	-	-	3,798
50.496	Peoples State Bank of Commerce	3,431	994	4,368	-	-	-	8,793
50.497	First Financial Bank	5,674	544	(1,737)	-	-	-	4,481
50.498	First Federal Savings Bank	1,668	490	3,286	-	-	-	5,444
50.499	Associated Bank	1,282	176	2,542	-	-	-	4,000
50.5	First Knox National Bank	1,114	96	1,475	-	-	-	2,685
50.502	TCF Bank	3,911	1,212	2,648	-	-	-	7,771
50.504	Progressive Bank	1,795	410	3,123	-	-	-	5,328
50.505	Chemical Bank	944	414	2,111	-	-	-	3,469
50.506	Sabine State Bank & Trust	1,043	(0)	0	-	-	-	1,043
50.508	First Hawaiian Bank	7,233	546	(2,349)	-	-	-	5,430
50.509	IBC Bank	6,327	3,427	1,688	(0)	-	-	11,442
50.511	Advantage Bank	13,896	663	(3,276)	-	-	-	11,283
50.512	DeMotte State Bank	24	-	-	(0)	-	-	24
50.513	Harris Bank	3,793	-	(3,293)	-	-	-	500
50.515	Monroe Bank	917	171	1,475	-	-	-	2,562
50.516	UMB National Bank of America	1,841	502	3,677	-	-	-	6,020
50.517	WesBanco Bank	1,325	185	1,286	-	-	-	2,797
50.518	Citizens Bank	3,338	3,003	-	764	-	-	7,105
50.524	Happy State Bank	2,001	755	5,092	-	-	-	7,848
50.525	Baylake Bank	1,363	344	2,179	-	-	-	3,885
50.526	Herring Bank	5,059	295	(1,368)	(340)	-	-	3,646
50.527	First National Bank, Breckenridge	968	150	2,748	-	-	-	3,866
50.528	First National Bank of Ballinger	616	519	1,271	-	-	-	2,406
50.529	Montgomery Bank	2,915	4,194	2,439	(0)	-	-	9,549
50.53	Georgia Bank & Trust	1,549	1,408	-	-	-	-	2,958
50.531	Simmons First	1,211	243	2,121	(13,334)	-	-	(9,758)
50.532	Home Savings Bank	2,660	11	(2,160)	-	-	-	511
50.534	Community Bank of Pleasant Hill	1,229	1,180	-	-	-	-	2,409
50.535	The Bank of Kentucky	1,857	662	2,494	-	-	-	5,012
50.536	Great Southern Bank	4,100	1,685	5,035	(0)	-	-	10,820
53.368	Wachovia	-	224,857	(22,105)	(9,092)	-	-	193,660
53.518	First National Bank of Blanchester	1,665	1,424	-	(24)	-	-	3,065
53.519	Five Star Bank	-	-	-	16,684	-	-	16,684
53.52	Guaranty Federal Bank	627	495	1,659	-	-	-	2,781
53.523	Amcore Bank	6,969	1,754	(10,820)	(0)	-	-	(2,096)
53.524	Eagle Bank	1,590	981	-	(0)	-	-	2,571
53.526	First Nat'l Bank of Wayne	891	1,034	-	-	-	-	1,925
		\$ 94,671,409	\$ 228,059	\$ 222,116	\$ (99,325)			\$ 95,022,259

CASE NAME: MOVIE GALLERY, INC., ET AL.  
CASE NUMBER: 10-30696

ACCRUAL BASIS-6

**PAYMENTS TO INSIDERS AND PROFESSIONALS**

OF THE TOTAL DISBURSEMENTS SHOWN FOR THE MONTH, LIST THE AMOUNT PAID TO INSIDERS (AS DEFINED IN SECTION 101 (31) (A)-(F) OF THE U.S. BANKRUPTCY CODE) AND TO PROFESSIONALS. ALSO, FOR PAYMENTS TO INSIDERS, IDENTIFY THE TYPE OF COMPENSATION PAID (e.g. SALARY, BONUS, COMMISSIONS, INSURANCE, HOUSING ALLOWANCE, TRAVEL, CAR ALLOWANCE, ETC.). ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
1.			
2.			
3.			
4.			
5.			
6. TOTAL PAYMENTS TO INSIDERS (1)			

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID (2)
1. ALVAREZ & MARSAL		-	-	-	-
2. SONNENSCHN NATH & ROSENTHAL LLP		-	-	-	-
3. MOELIS & COMPANY LLC		-	-	-	-
4. KUTAK ROCK LLP		-	-	-	181,010
5. KURTZMAN CARSON ASSOCIATES		5,859	5,859	19,755	-
6. CORLISS MOORE & ASSOCIATES		140,880	140,880	287,081	-
7. HOULIHAN LOKEY HOWARD & ZUKIN		303,050	303,050	303,050	-
8. BURR PILGER & MAYER		-	-	265,174	234,620
9. O'MELVENY & MEYERS LLP		-	-	649,273	-
10. FORSHEY & PROSTOK, LLP		-	-	-	-
11. JEFFERIES & COMPANY, INC		310,893	310,893	310,893	-
12. BROWN RUDNICK LLP		289,676	289,676	804,389	-
13. MCCARTER & ENGLISH, LLP		72,331	72,331	72,331	-
14. MCGUIRE, CRADDOCK & STROTHER PC		2,102	2,102	9,752	-
15. SKADDEN ARPS SLATE MEAGHER & FLOM LLP		12,353	12,353	52,952	-
16. GREENBERG TRAUIG LLP		13,217	13,217	13,217	-
17. PACHULSKI STANG ZIEHL & JONES LLP		-	-	-	-
18. TOTAL PAYMENTS TO PROFESSIONALS		1,150,361	1,150,361	2,787,867	415,630

\* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

**POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS**

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1. ADEQUATE ASSURANCE PAYMENTS	344,997	344,997	-
2. REVOLVING CREDIT FACILITY	45,000,000	45,000,000	55,000,000
3. 1ST LIEN CREDIT FACILITY	-	-	374,084,263
4. OPERATING LEASES (3)	29,660,078	14,840,684	14,819,394
5. TOTAL	75,005,075	60,185,681	443,903,657

NOTES:

- (1) OTHER THAN SALARY, FEES, AND BENEFIT PAYMENTS MADE IN THE ORDINARY COURSE OF BUSINESS, NO PAYMENTS HAVE BEEN MADE TO INSIDERS DURING THE REPORTING PERIOD.
- (2) INCURRED BUT NOT PAID BALANCE BASED ON THE FEES AND EXPENSES DETAILED ON INVOICES RECEIVED BY THE COMPANY, WHICH HAVE NOT YET BEEN PAID.
- (3) OPERATING LEASES LINE ITEM IS MADE UP OF THOUSANDS OF LANDLORDS. AS SUCH ONLY TOTAL AMOUNT REPORTED IN THIS SCHEDULE.

CASE NAME: MOVIE GALLERY, INC., ET AL.  
CASE NUMBER: 10-30696

ACCRUAL BASIS-7

MONTH: MARCH 8, 2010 TO APRIL 4, 2010

**QUESTIONNAIRE**

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?	X (1)	
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		X
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?	X (2)	
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?	X (3)	
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		X
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		X
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		X
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		X
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		X
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		X
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?	X (3)	
12. ARE ANY WAGE PAYMENTS PAST DUE?	X (4)	

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

(1) FROM MARCH 8, 2010 TO APRIL 4, 2010 WE REALIZED APPROXIMATELY \$1.4 MILLION OF PROCEEDS FROM THE SALE OF FIXTURES AT OUR LIQUIDATING LOCATIONS.

(2) AMOUNT IS IMMATERIAL

(3) PAYMENTS WERE MADE IN ACCORDANCE WITH BANKRUPTCY COURT ORDERS

(4) THERE IS A POSSIBILITY THAT SOME STORE EMPLOYEES MAY HAVE WAGE PAYMENTS PAST DUE AS A RESULT OF PAPERWORK DELAYS. HOWEVER THIS AMOUNT WOULD BE LESS THAN 1% FOR A TOTAL PAYROLL RUN.

**INSURANCE**

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	X	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	X	
3. PLEASE ITEMIZE POLICIES BELOW. SEE EXHIBIT C		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSTALLMENT PAYMENTS			
TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY
SEE EXHIBIT C			



CASE NAME: MOVIE GALLERY, INC., ET AL.
CASE NUMBER: 10-30696

**EXHIBIT C**

<b>INSTALLMENT PAYMENTS</b>			
<b>TYPE OF POLICY</b>	<b>CARRIER</b>	<b>PERIOD COVERED</b>	<b>PAYMENT AMOUNT &amp; FREQUENCY</b>
Property	Liberty Mutual	5/01/09-04/30/10	\$596,220 paid at beginning of policy period
D&O	Zurich	5/20/09-05/19/10	\$127,500 paid at beginning of policy period
D&O-First Excess	XL Specialty Insurance	5/20/09-05/19/10	\$95,000 pd at beginning of policy period
D&O-Second Excess	XL Specialty Insurance	5/20/09-05/19/10	\$72,500 pd at beginning of policy period
D&O-Third Excess	Vbeazlev Specialty	5/20/09-05/19/10	\$65,000 pd at beginning of policy period
D&O-Prior Year	Mesirov	3/31/09-05/19/09	\$9,092 pd \$2,379 Aug and \$5,220 Sept
Fiduciary/Crime/Kidnap & Ransom	Chubb/Federal Insurance Company	5/20/09-05/19/10	\$66,000 pd at beginning of policy period
General Liability	Liberty Mutual Insurance Company	4/01/10-03/31/11	Premium of \$55,428 paid at beginning of policy period
Automobile Liability	Liberty Mutual	4/01/10-03/31/11	\$83,725 paid at beginning of policy period
1st Layer Umbrella	Liberty Mutual	4/01/10-03/31/11	\$59,194 pd at beginning of policy period
2nd Layer Umbrella	Continental Casualty	4/01/10-03/31/11	\$25,253 pd at beginning of policy period
Workers' Compensation Private	Liberty Insurance Corporation	4/01/10-03/31/11	\$1,701,789 pd at beginning of policy period
Washington	Department of Labor and Industries	1/01/10-12/31/10	\$274,950 estimated premiums paid quarterly
North Dakota	North Dakota Workforce Safety and Insurance	11/01/09-10/31/10	\$7,600 estimated premiums paid annually
Ohio	Ohio Bureau of Workers' Compensation	1/01/10-12/31/10	\$163,900 estimated premiums paid semi-annually in Feb and Aug
Ohio	CareWorks Consultants Inc	7/01/10-6/30/11	\$10,832 estimated annual premium paid Mar 1.
Wyoming	Wyoming Workers' Safety and Compensation	1/01/10-12/31/10	\$4,750 estimated annual premium paid quarterly