



EMAK Worldwide Provides Clarification on Article in Los Angeles Business Journal

January 19, 2010

EMAK Worldwide, Inc. (OTC: EMAK) announced today it would like to clarify a few points made in a *Los Angeles Business Journal* article dated January 18, 2010, as follows:

- While the article stated, “The ousted chief executive last month won a bitter proxy fight and got the right to seat four directors on the L.A. company’s seven-member board,” the facts today with respect to the consent campaign or “proxy fight” launched by Don Kurz and his group are that the final tabulation as delivered by the independent proxy service indicated that the consent *did not pass*. Kurz is currently challenging these results in the Delaware Chancery Court with a hearing scheduled for January 22, 2010. EMAK hopes to provide stockholders with the final outcome as soon as possible following the hearing.
- The article stated that “The smoldering conflict erupted in late September when a dissident shareholder group called Take Back EMAK, led by co-founder and former Chief Executive Don Kurz, filed a lawsuit against board members and company officers alleging fraud and breach of duty.” Actually, the record shows that the conflict between Kurz and EMAK arose years earlier. In 2005, after his ousting as CEO, Kurz resigned from the Board without reason and six months later launched his first unsuccessful proxy fight. This was followed by years of public hostility toward the Board culminating in this latest round. One other point of clarification to the article – in fact, Kurz is not a co-founder of the Company.
- Finally, the article describes Upshot as “the main promotional product agency, and lists Logistix as being “London-based.” Upshot (www.upshot.net) is a Chicago-based integrated marketing services agency, not in the promotional products business. And Logistix, which is a promotional products agency, is headquartered in Los Angeles, not London.

We thank you for taking the time to note these important clarifications.

Jim Holbrook
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