

## ACME Communications Announces Appeal of Unfavorable Court Ruling

SANTA ANA, Calif., March 25, 2011 -- ACME Communications, Inc. (Pink Sheets:ACME) today announced that it will appeal a New York state court decision issued on Monday, March 21, 2011. The ruling granted summary judgment to MMT Sales L.L.C. ("MMT") and Harrington Righter & Parsons L.L.C. ("HRP") in a dispute that centered around MMT's abrupt and complete abandonment of its advertising representation contract with ACME in May 2009 and MMT's effort to force ACME to accept services from HRP (like MMT, a Cox Enterprises subsidiary). The ruling came despite a provision in the contract prohibiting assignments without ACME's written consent and the Court's finding that ACME had not given its consent to the HRP assignment. The judgment would entitle MMT and HRP to a payment of approximately \$2.4 million as a "break-up fee" or liquidated damages. However, the Court did not address ACME's counterclaims for damages, which seek millions of dollars in damages from MMT and HRP and are based on MMT's repudiation and breach of the same contracts. ACME believes that the Court's finding, to the effect that ACME did not consent to any assignment, supports these counterclaims.

Doug Gealy, ACME's President and CEO, said, "We are of course disappointed by the Court's ruling and believe that it is clearly inconsistent with the facts and the law. But this is just the first step in a very long process that we hope and expect will result in ACME's vindication. We will file a motion for reargument with the trial court to raise certain facts and issues which we believe were overlooked by the Court. We will simultaneously appeal the trial court's decision to a state appellate court and vigorously pursue our counterclaim. This is clearly an unfair result, as it would require ACME to compensate a rep firm that abruptly terminated all of its services to ACME, and tried to force ACME to accept service from an affiliated rep firm that ACME was not obligated to accept and chose not to accept."

If upheld following the appeals process, the decision would cost the Company an estimated \$3.3-\$3.5 million, representing the break-up fee, assessed interest expense and the plaintiff's legal costs. ACME expects to record a charge to earnings in this amount in its fourth fiscal quarter, ended December 31, 2010.

About ACME Communications, Inc.

ACME Communications, Inc. owns and operates six television stations serving markets reaching 2.2% of the nation's television households. The Company's stations are: KWBQ-TV and KASY-TV, Albuquerque-Santa Fe, NM; WBXX-TV, Knoxville, TN; WBTD-TV, Dayton, OH; WCWF-TV (formerly WIWB), Green Bay-Appleton, WI and WBUW-TV, Madison, WI. Sales of the Company's stations in Knoxville (which was approved by the Federal Communications Commission on Monday, March 21, 2011), Dayton and Green Bay are pending and are expected to generate aggregate gross proceeds of approximately \$16 million. The Company also produces The Daily Buzz, a nationally syndicated morning news and lifestyle program which airs on more than 150 television stations across the country. The Company's shares are traded on the OTC Markets under the symbol: (Pink Sheets:ACME)

Forward-Looking Statements:

The matters discussed in this press release include forward-looking statements. In addition, when used in this press release, the words "will", "expects" and similar expressions are intended to identify forward-looking statements. Such statements are subject to a number of risks and uncertainties. Actual results in the future could differ materially and adversely from those described in the forward-looking statements as a result of various important factors, including, but not limited to, the pending sale transactions not closing (due to the buyers not completing the transactions, the transfers for stations WBTD or WCWF not being approved by the Federal Communications Commission, or for any other reason). The Company undertakes no obligation to publicly release the result of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances.

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