

Najafi Companies Complete Acquisition of North American Assets and Business of Cinram

TORONTO, September 4, 2012 - Cinram International Income Fund (TSX: CRW.UN) (together with its subsidiaries, the "Fund") announced today that it has completed the sale of substantially all of the Fund's assets and businesses in the United States and Canada to newly formed affiliate of Najafi Companies ("Najafi").

Under the transaction, Najafi purchased substantially all of the assets used in the Fund's core businesses of the manufacture of pre-recorded multimedia products and the provision of related logistics services, digital media solutions and outsourced vendor management inventory services in North America. The Fund expects to complete the previously announced sale of substantially all of its European assets and businesses to affiliates of Najafi in the fourth quarter. The new organization will continue to be known and conduct business as "Cinram."

"We are extremely excited about our investment in Cinram. With the closing of this acquisition now complete, we look forward to working with Cinram's loyal suppliers, management team and employees to continue to offer Cinram's innovative and industry-leading services and products to its broad and impressive customer base," said Jahm Najafi, CEO, Najafi Companies.

Steve Brown, the CEO of Cinram, commented that "the closing of this transaction represents a very significant milestone for Cinram. The improved financial position of the new company, along with the experience and expertise of Mr. Najafi and his team, will provide management with an opportunity to grow in the marketplace, expanding its product and service offerings and focus on ensuring the best outcome for the business and its stakeholders, including its customers, suppliers and employees."

The Fund has retained ownership of certain assets, including the assets used in the Fund's telecommunications products logistics services and certain real estate assets.

As previously announced, the proceeds of the sale transaction will be used to repay Cinram's senior creditors (and will not be available for distribution to unit holders).

For more information about the Fund, visit our website at www.cinram.com.

About Cinram

Cinram International Inc., an indirect, wholly-owned subsidiary of the Fund, is one of the world's leading providers of pre-recorded multimedia products and related distribution and logistics services. Through its affiliates, Cinram International Inc. manufactures and distributes pre-recorded DVDs, Blu-ray discs, audio CDs, and CD-ROMs for motion picture studios, music labels, publishers and computer software companies across Europe. Cinram International Inc. also provides logistics services to the telecommunications sector. For more information, visit our website at www.cinram.com.

About Najafi Companies

Najafi Companies is a private investment firm whose current portfolio companies include Direct Brands, Actissia, SkyMall, Trend Homes and Snowflake Power. The firm makes highly-selective investments up to \$1 billion in transaction value in companies with strong management teams across a variety of industries. The firm takes a long-term view on its investments and focuses its efforts to create value through growth and superior performance.

Certain statements included in this release constitute "forward-looking statements" within the meaning of applicable securities laws. Such forward-looking statements include statements concerning the possible effects of the transactions described herein, and the likelihood of their successful completion. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Fund to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. These risks may affect the achievement of the expected results of the transactions described herein. The transactions are subject to conditions, and there can be no assurance that the said transactions will be successfully completed or that, if completed, the expected consequences will result in whole or in part, and the deviations from such expectations may be material.

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