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Theater Xtreme's 15th Store Opens in Seattle Area

NEWARK, DE, 8/27/07 -- Theater Xtreme Entertainment Group, Inc. (OTCBB: TXEG), a nationwide retailer and installer of real movie theaters for the home, announced the grand opening of its newest franchise location in Lynnwood, Wash., a northern suburb of Seattle. The design center, which opened on August 23, is operated by Scott Fehr of Snohomish, Wash.

Said Theater Xtreme Entertainment Group CEO Scott Oglum of Fehr and the location: "He's optimistic and ready to bring the joy of putting real movie theaters into homes throughout the Puget Sound region. Lynnwood is a great market and it's our first operational franchise on the west coast. Most importantly, he's the only retailer of this kind in the area."

Fehr was joined by friends and family to celebrate the grand opening. Also present was Theater Xtreme's Franchise District Support Manager Bob Beatty, a representative from the company's corporate office.

Theater Xtreme of Lynnwood is located at 16809 Highway 99, Suite C, Lynnwood, WA 98296. Call 425-743-3817. Visit TheaterXtreme.com for more information about this and other locations.

To be added to Theatre Xtreme's investor contact list, please contact Justin Schakelman at jschakelman@theaterxtreme.com.

ABOUT THEATER XTREME ENTERTAINMENT GROUP, INC.

Theater Xtreme Entertainment Group, Inc (OTCBB: TXEG) is a specialty retailer of real movie theaters for the home. The Company's 80" to 120" front projection systems deliver an authentic movie theater experience, as an increasingly popular alternative to flat panel televisions. Its cinema packages, featuring brand names and factory direct products, are simple to use and cost significantly less than traditional A/V dealer offerings. It operates 5 company owned stores and 10 franchises in 11 states.

SAFE HARBOR STATEMENT

Some of the information presented in this letter constitutes forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements represent the Company's judgment regarding future events, and are based on currently available information. Although the Company believes it has a reasonable basis for these forward-looking statements, the Company cannot guarantee their accuracy and actual results may differ materially from those the Company anticipated due to a number of known and unknown uncertainties, of which the Company is not aware. Factors which could cause actual results to differ from expectations include, among others, the ability of the Company to sell franchises, success of the franchise stores, the ability to find suitable locations for new corporate and franchise stores, delay or loss of key products from vendors, the ability to maintain margin and sales growth rate, disruption of product delivery from overseas suppliers, changes in regard to significant suppliers, increased competition from companies with more expertise, experience, or financial resources, technological changes in the home theater market which may render the Company's offerings obsolete, less competitive, or too expensive, material reduction in the demand for home theaters, and lack of sufficient capital to allow the Company to achieve its corporate store opening goal. For additional information concerning these and other important factors that may cause the Company's actual results to differ materially from expectations and underlying assumptions, please refer to the reports filed by the Company with the Securities and Exchange Commission available at www.sec.gov.

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