

2008-2009 NINE-MONTH REVENUES

(unaudited data)

- **Consolidated 9-month revenues growth: +4.7% to €234.1 million at current exchange rates and increased +8.5% to €242.6 million at constant exchange rates**
- **Third quarter revenues amounted to €102.3 million**
- **Full year revenue guidance revised to a flat revenue versus last year due to revised release schedule aiming to maximize the revenues of each games**
- **Shift of strategic focus into online gaming well on-track**
- **Additional cost reduction programs to be implemented**

Lyon, France, February 13, 2009 – For the first nine months of the fiscal year 2008/2009 (from April 2008 to December 2008), Infogrames revenues amounted to €234.1 million, representing a +8.5% increase at constant exchange rates and a +4.7% increase at current exchange rates. For the third quarter of the fiscal year 2008/2009 (from October 2008 to December 2008), Infogrames revenues amounted to €102.3 million, compared to €132.4 million for the same period last year.

David Gardner, Infogrames' Chief Executive Officer said: *"During the Christmas period, consumer confidence and difficult conditions for the retail industry rewarded very few games with breakout levels of sales. This impacted Infogrames' third quarter revenues for fiscal year 2008/2009, which is a transition year for the Company. The recent acquisition of Cryptic Studios and the creation of an in-house online studio in London will enable the company to shift its strategic focus into a higher margin online business model. Over the next six months, we will be sharply focused on the implementation of our online strategy, launching profitable games and creating long term value, and further cost reductions to better align revenues and expenses."*

1. BUSINESS TRENDS DURING THE FIRST NINE MONTHS OF FISCAL YEAR 2008/2009

For the first nine months of the year, US and Asia markets registered strong growth (up 58.0% and 19.0% respectively at constant exchange rates), while European territories registered a decrease (down 6.8% at constant exchange rate).

Revenues breakdown by geographical region are as follows:

In € millions	Actual Q3 YTD 2008/2009	Actual Q3 YTD 2007/2008	% change at current exchange rate	% change at constant exchange rate
Europe	142,1 60,7%	156,0 69,8%	-8,9%	-6,8%
United States	64,5 27,6%	42,9 19,2%	50,3%	58,0%
Asia	27,5 11,7%	24,7 11,0%	11,3%	19,0%
Total	234,1 100%	223,6 100%	4,7%	8,5%

- **The US** led all the regions with a revenue growth of €21.6 million or +50.3% (representing a 58.0% growth at constant exchange rates), driven by the expansion of its third-party distribution business as well as from the sales of *Alone of the Dark* and *Dragon Ball Z: Burst Limit*. In the first nine-month of the year, the US revenues represented 27.6% of the group's revenues (compared to 19.2% for the same period last year).

- **Europe and Asia** represented 72.4% of the revenues for the group and were down (-€11.1 million or -6.1% at current exchange rate, down 3.3% at constant exchange rate). This was primarily due to higher than expected returns and markdowns, and lower prices for most of the holiday releases, which more than offset the strong sales of the first two quarters of this fiscal year.

For the first nine month of the year, revenues breakdown by platform was as follows:

	Actual Q3 YTD 2008/2009	Actual Q3 YTD 2007/2008
PS3	25%	4%
Xbox 360	18%	9%
NDS	15%	17%
Wii	12%	11%
PC	12%	17%
PS2	11%	34%
PSP	3%	8%
Other	4%	0%

Third quarter revenues breakdown is as follows:

In € millions	Actual Q3 QTD 2008/2009	Actual Q3 QTD 2007/2008	% change at current exchange rate
Europe	64,7 63,2%	92,4 69,8%	-30,0%
United States	28,2 27,6%	28,2 21,3%	0,0%
Asia	9,4 9,2%	11,8 8,9%	-20,3%
Total	102,3 100%	132,4 100%	-22,7%

The third quarter's under-performance as compared to the prior year is mainly due to a lower number of major releases compared to last year as well as to the negative impact of the economic slowdown during the Christmas period.

2. REVISION OF REVENUES GUIDANCE FOR FISCAL YEAR 2008/2009

Infogrames has a strong title line-up in the coming months including *Ready2Rumble: Revolution*, *Codename Panzers*, *The Chronicles of Riddick*, *Assault on Dark Athena*, *Ghostbusters*, *RacePro*, *Champions Online*. In line with the broader market trend of greater revenues generated by fewer hits, the company has taken the decision to concentrate its resources around fewer hi-quality 'pillar' titles with the greatest chance of success, cancelling a number of unproven or speculative projects regarded as higher risk. This more focused release schedule aiming to improve games profitability will impact the revenues in the current fiscal year. For this reason, Infogrames believes it is cautious to announce new guidance for its full year 2008/2009 revenue year-on-year growth projection to be flat compared to fiscal year 2007/2008 revenues (compared to an estimated 12% to 18% growth on year-on-year basis as initially published on June 17, 2008). This will impact current year profitability as well.

On new guidance, David Gardner stated: *"At the start of our turnaround project we felt we had good market momentum behind us. Clearly the difficult economic environment, which has impacted most of the companies in the industry that sell through retail, have had bad news. While we are reducing costs, we want to focus on fewer but better games. This will allow us to focus our resources on titles with the best return on investment. It may mean our revenue goes down in the short term, but we will be focused with a lower cost base and most importantly, will not tie up working capital and management time on games that are below average. I have been very public about my desire for Infogrames to focus on the future growth areas, which is connected (online) gaming. We have moved strongly in this direction with the acquisition of Cryptic. The business model of creating*

compelling online content that builds active communities with enough value to charge a monthly subscription fee will change the predictability of our revenues and help protect our margins. This is essential to returning the company to profitability. Our energy is fully focused on our strong line up over the next six months.”

3. MAIN TURNAROUND ACTIONS IMPLEMENTED DURING THE PAST NINE MONTHS

Several key actions aiming to strengthen the implementation of Infogrames strategy have been undertaken:

- **The development of distribution operations** with the creation of Distribution Partners and the signing in February 2009 with **Namco Bandai** of a definitive agreement establishing a **strategic distribution partnership** in Europe, New Zealand, Australia and Africa, **with exclusive distribution rights of Namco Bandai and Infogrames’ products**;
- **The acquisition of Cryptic Studios, a leading MMO** (massively multi player online) **game creator, developer and operator**, which will provide state-of-the-art games and technology expected to boost Atari’s online business growth;
- **The development of on-line publishing operations with the creation** of a new in-house game development studio, which will focus on developing innovative mass-market consumer games and services for online-enabled devices including personal computers and game consoles;
- **The acquisition of two new titles** to strengthen 2009 portfolio: *Ghostbusters* and *The Chronicles of Riddick: Assault on Dark Athena*;
- **The implementation of the cost reduction program**, Atari Transformation, to restructure the operations of the Group world-wide and the acquisition of Atari Inc. shares not hold by the company.

4. ADDITIONAL COST REDUCTION ACTIONS TO BE IMPLEMENTED IN THE NEXT 6 MONTHS

- **Further cost reduction programs** will be implemented in the next 6 months to compensate for the softness of the consumer demand and to complement the move to on-line. Further details and a progress update will be communicated along with the annual results.

About Infogrames Entertainment and Atari:

The Infogrames group, including the Atari brand and the massively multiplayer online game company Cryptic Studios, is a global producer, publisher and distributor of interactive entertainment software for all market segments and all interactive game platforms including consoles from Microsoft, Nintendo and Sony, advanced smartphones, Personal Computers, web and online. Its games are sold in more than 60 countries through an international distribution network and direct to consumers via www.atari.com.

Atari’s extensive catalogue of popular games is based on original franchises (Test Drive, Alone in the Dark, V-Rally, My Horse & Me, Backyard Sports franchise, Total Annihilation, Outcast etc.), Cryptic Studios titles (StarTrek Online, Champions Online), publishing properties (Ghostbusters, The Chronicles of Riddick, The Witcher, Race Pro etc.), international licenses (Dragon Ball Z, Dungeons & Dragons, Jamie Oliver etc.) and classic games covering the entire history of the video game industry (Pong, Missile Command, Asteroids etc).

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