



A French corporation (*société anonyme*) with capital of 13,269,203 euros

Principal office: 1 Place Verrazzano

69252 Lyon Cedex 09

Lyon Trade and Company Registry No. 341 699 106

**Note to the readers:** This report is an English translation of the French original report and is provided for informational purposes. This translation is qualified in its entirety by the French version, which is available on the company's web site ([www.corporate.atari.fr](http://www.corporate.atari.fr)). In the event of any inconsistencies between the French version of this report and the English translation, the French version will prevail.

## **Description of the new Share Buyback Program approved by the Annual and Special Shareholders' Meeting of September 30, 2009**

Pursuant to articles L.451-3 of the Monetary and Financial Code (*Code Monétaire et Financier*) and article 241-1 *et seq.* of the General Regulation (*Règlement Général*) of the *Autorité des Marchés Financiers* ("AMF"), the purpose of this document is to describe the objectives, terms and conditions of Atari's share buyback program authorized by the 14<sup>th</sup> resolution of the annual and special shareholders' meeting of September 30, 2009 canceling, effective immediately, the authority granted by the 19<sup>th</sup> resolution of the annual shareholders' meeting of September 25, 2008 to purchase shares of the Company.

### **SUMMARY OF THE MAIN CHARACTERISTICS OF THE NEW SHARE BUYBACK PROGRAM**

Issuer: Atari SA, a French corporation (*société anonyme*) with capital of 13,269,203 euros

Principal office: 1 Place Verrazzano; 69 252 Lyon Cedex 09 - Lyon Trade and Company Registry No. 341 699 106

Stock exchange: Euronext Paris.

ISIN Code: FR0010478248

Issued capital of 13,269,203 shares, of which 2,470 (0.02%) are held by the company.

The annual shareholders' meeting of September 30, 2009 granted authority to the Board of Directors, for a period eighteen (18) months, to purchase shares of the Company not in excess of 10% of those outstanding at the time the Board makes use of said authority, with the understanding that the Company may at no time hold more than 10% of its own shares (for information, currently 1,326,920 shares). The buyback program will expire on March 30, 2011.

In accordance with article L. 225-209 (3) of the Monetary and Financial Code, the Board of Directors will be entitled to delegate authority for such transactions to the chief executive officer or, with the latter's consent, to one or more executive vice presidents.

### **OBJECTIVES OF THE NEW SHARE BUYBACK PROGRAM**

- Providing liquidity for the shares under a market-making agreement with an independent investment service provider, in compliance with a code of conduct recognized by the AMF;
- Remitting shares to third parties, by any means whatsoever (sale, transfer, exchange, etc.), in connection with acquisitions, mergers, demergers or transfers of assets;
- Allotting shares whenever rights attached to securities redeemable, convertible or exchangeable for existing Company shares - including warrants or other rights - are exercised for existing shares of the Company;

- Granting or offering shares to employees or officers and directors, in connection with performance-based incentive plans or stock option plans, share award plans, employee savings plans or any other plan permitted by applicable law;
- Performing any new market transactions permitted by law or the AMF;
- Retiring shares, as authorized by resolution 22 of the September 25, 2008 shareholders' meeting.

### **BREAKDOWN OF THE NEW SHARE BUYBACK PROGRAM BY OBJECTIVES**

As of September 30, 2009, the account opened with Crédit Agricole Cheuvreux under the April 7, 2009 market-making agreement in compliance with the AFEI code of conduct held 73 shares and €207,332.32. The original market-making agreement called for an initial contribution of 200,000 euros and no shares, primarily for the purpose of providing liquidity for the shares.

No shares are currently held for any of the other objectives above.

### **BUYBACK TERMS AND CONDITIONS**

Shares may be bought, sold, transferred or exchanged by any means, on regulated markets or over the counter, including by way of block trades. These means include the use of financial derivatives traded on regulated markets or over the counter as well as option trading as permitted by the market authorities.

Transactions may take place at any time, including during periods when tender offers are in effect for the Company's shares, provided that shares are fully paid for in cash, as prescribed by regulations in effect at the time of the transactions.

The annual shareholders' meeting of September 30, 2009 resolved that the maximum price at which shares may be bought shall be € 12 (twelve euros) per share, provided that, in the event of financing transactions such as capitalization issues by means of the transfer of reserves, distributions of free shares and/or stock splits or reverse splits, that price will be adjusted accordingly by the Board of Directors.

In order to ensure that the share buyback program is duly implemented, full authority has been granted to the Board of Directors, which may further delegate such authority, for the purpose of:

- placing market orders and entering into agreements regarding such matters as the keeping of records of stock trades;
- carrying out all filings and formalities with the AMF or any other regulatory agency;
- in the event that the Company should purchase its own shares for more than their trading price, making all necessary adjustments to the number of shares for which stock warrants and options - or other securities with a right to existing Company shares - may be exercised;
- completing all other formalities and, as a general matter, doing whatever is necessary.

The authority for the share buyback program granted by the September 30, 2009 annual and special shareholders' meeting is valid for a period of 18 months from the date of that meeting and expires March 30, 2011.

### **RESULTS OF THE PREVIOUS SHARE BUYBACK PROGRAM**

The results reviewed here are those of transactions in the period from April 7, 2009, when the share buyback program went into effect, through September 30, 2009, when, in its 14<sup>th</sup> resolution, the annual and special shareholders' meeting of September 30, 2009, resolved to terminate, effective immediately, the authority to trade in the Company's shares granted by the 19<sup>th</sup> resolution of the annual shareholders' meeting of September 25, 2008.

As of September 30, 2009, the Company held 2,470 treasury shares, as well as a further 73 shares under a market-making agreement.

The Company did not make use of the previous authority to purchase its own shares, other than in connection with the market-making agreement.

**Aggregate gross transactions from April 7, 2009 through September 30, 2009 (excluding the market-making agreement)**

	Purchases	Sales and transfers
Number of shares	None	None
Price / average share price, in euros	Not applicable	Not applicable
Aggregate value, in euros	Not applicable	Not applicable

**Aggregate number of shares retired** over the past 12 months: none

**Market-making agreement**

The share buyback program is implemented through a market-making agreement with Crédit Agricole Cheuvreux, complying with the AFEI code of conduct. It entered into effect on April 7, 2009 with an initial funding of 200,000 euros and no shares, primarily intended to provide liquidity for the shares.

As of September 30, 2009, the account under the market-making agreement between Atari and Crédit Agricole Cheuvreux has the following balance:

- 73 shares
- €207,332.38

From April 7, 2009 through September 30, 2009, a cumulative aggregate of 113,717 shares (0.86% of those outstanding) were purchased under the market-making agreement for a total of 561,065 euros, while 113,644 shares (0.86% of those outstanding) were sold, for a total of 568,397 euros.

**AVAILABILITY OF THE PROGRAM DESCRIPTION**

As prescribed by articles 221-1 to 221-6 of the AMF General Regulations, this document has been distributed in accordance with article 221-3 of the Regulations, and has been filed with the AMF.

It is available free of charge at the Company's principal office, or upon request from:

Atari  
1 Place Verrazzano  
69252 Lyon Cedex 09

It may also be downloaded from the Atari website at <http://corporate.atari.com>.



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