



Proposed transfer by BlueBay of its holding in ATARI

Lyon, October 21, 2010 - Atari announces that BlueBay Value Recovery (Master) Fund Limited and BlueBay Multi-Strategy (Master) Fund Limited (collectively referred to as "**BlueBay**"), which are Atari's reference shareholders, are exploring a disposal of the shares and equity-linked instruments held by them, representing approximately 17.6% of the non-diluted share capital of Atari and 66.9% on a fully diluted basis. The acquisition of BlueBay's shareholding would not create any obligation for the purchaser to file a mandatory public offer pursuant to applicable laws.

As a result, certain potential acquirers identified by BlueBay shall be provided with information relating to Atari, upon signing of a confidentiality agreement and through a data room set up in accordance with the COB recommendation n°2003-01.

Atari will communicate again on this matter as soon as it will be aware of the completion of the negotiations and the signing of a binding offer by one of the potential investors, or upon the withdrawal of the project by BlueBay. The disposal process should take two to three months.

The instruments held by BlueBay and that would be sold in the course of the disposal process are the following:

- 4,216,801 shares,
- 1,663,292 warrants ISIN FR0010690099,
- 1,318,664 bonds redeemable into new or existing shares ISIN FR0010696153,
- 342,095 bonds redeemable into new or existing shares ISIN FR0010690081,
- 152,636 bonds redeemable into new or existing shares ISIN FR0010833053.

This press release only concerns a block sale of securities by a shareholder of Atari reserved to identified potential buyers and does not constitute an offer made to the public. No step will be undertaken by Atari within the frame of this sale with a view to allowing an offer to the public in France or a foreign jurisdiction. The information contained in the present press release does not constitute an offer to sell securities in France or in the UK, in the United States, in Canada, in Australia or in Japan. The distribution of the present press release in some countries can constitute a violation of applicable laws.

About Atari, SA

Atari group is a global creator, producer and publisher of interactive entertainment. Atari's brands and content are available across all key traditional and digital distribution touch points, including browser-based and social online platforms, PC, consoles from Microsoft, Nintendo and Sony, and advanced smart phones (i.e. iPhone, Android and RIM devices). Divisions of Atari, SA include Cryptic Studios, Eden Studios, Atari Interactive, Inc. and Atari, Inc.

Atari benefits from the strength of its worldwide brand and its extensive catalogue of contemporary classic game franchises (Asteroids®, Centipede®, Missile Command®, Lunar Lander®), original owned franchises (Test Drive®, Backyard Sports®, Deer Hunter®), MMO games from Cryptic Studios (Star Trek™ Online, Champions™) and third party franchises (Ghostbusters®, Rollercoaster Tycoon®, Dungeons and Dragons®). Atari also leverages the power of its franchises to deliver movies and merchandise to consumers around the world.

For more information please visit: **www.atari.com** and **corporate.atari.com**

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