



## 9-month revenues for FY 2010/2011

unaudited data

Following the board of directors meeting on February 11, 2011

Paris, France - February 14, 2011 – Atari, S.A. announces consolidated 9-month revenues for fiscal year 2010/2011 (April 1<sup>st</sup> to December 31<sup>st</sup>, 2010) at €41.0 million (a 55.7% decline year-on-year), compared to the same period in the FY 2009/2010 when *Ghostbusters: The Video Game* was released on multiple console and handheld platforms. Revenues are consistent with the full year current operating income guidance for fiscal year 2010/2011 and result from (i) the focus on selling fewer but more profitable games and (ii) the strategic shift towards online gaming, a market segment where Atari intends to benefit from new growth drivers.

Jim Wilson, CEO of Atari, stated: “Our 9-month revenues are in line with our outlook and show a continued shift toward fewer but more profitable retail releases and the growing online games market. We launched *Champions Online* in the free to play model in January 2011, and the initial results have been promising. We have also launched *Test Drive Unlimited 2* in line with our forecasts and to positive ratings in US and Europe. Over the next few months, we look forward to new game releases based upon our classic Atari game franchises as well as *Ghostbusters*, *Dungeons and Dragons* and *The Witcher*.”

### 9-MONTH REVENUE ANALYSIS

Atari published consolidated 9-month revenues for fiscal year 2010/2011 at €41.0 million versus €92.5 million in comparable prior period.

Net revenue breakdown by segment was as follows:

(€ millions)	9 months 2010/2011	9 months 2009/2010	Change in Euros	Change in %
<b>Online</b>	<b>18,4</b>	<b>3,1</b>	<b>+15,3</b>	<b>+493,5%</b>
% of revenues	44,9%	3,4%		
<b>Retail and other</b>	<b>22,6</b>	<b>89,4</b>	<b>-66,8</b>	<b>-74,7%</b>
% of revenues	55,1%	96,6%		
<b>Revenue</b>	<b>41,0</b>	<b>92,5</b>	<b>-51,5</b>	<b>-55,7%</b>

**Online revenue**, comprised primarily of subscription and digital distribution revenue, was €18.4 million – an increase of €15.3 million over the prior year. The nine months FY 2010/2011 includes subscription revenue from both *Star Trek Online* and *Champions Online* which were released in the second quarter of FY 2009/2010. As a result, online revenue was 44.9% of total net revenue as compared to 3.4% in the nine months of the prior fiscal year.

**Retail and other revenues**, comprised primarily of sales to retail stores, was €22.6 million – a decrease of €66.8 million over the prior year primarily due to the planned fewer releases of titles in FY 2010/2011 as compared to the prior fiscal year, as well as lower third-party distribution revenue. Retail and other

revenues were 55.1% of total net revenue as compared to 96.6% in in the nine months of the prior fiscal year.

**Third quarter revenues for fiscal year 2010/2011** declined by 52.5% to €11.4 million, vs. €24.0 million for the third quarter of fiscal year 2009/2010. This decline was mainly due to a lower number, but more profitable games released during the 2010 holiday season as compared to the same period last year.

## **MAIN EVENTS OF THE FIRST 9 MONTHS 2010/2011**

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**Changes to corporate governance as previously announced:** Jim Wilson, previously CEO of Atari Inc., has taken the position of CEO of Atari S.A. and has been appointed as Director of the Board. Hindol Datta, Vice President of Finance and Administration of Atari, has been appointed interim Chief Financial Officer. Pascal Cagni has resigned from the Board.

**Credit line maturity extended as previously announced:** The BlueBay credit line maturity has been extended from December 31, 2010 to June 30, 2011. Other terms and conditions remain unchanged.

## **EVENT AFTER THE REPORTING PERIOD**

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On October 21, 2010, Atari was notified that its reference shareholder BlueBay was exploring a disposal of its shares and equity-linked instruments held by them. On January 31, BlueBay informed Atari that the disposal process had not resulted in the signing of a binding protocol with one of the potential investors and that they had therefore interrupted their process.

## **CONFIRMATION OF OUTLOOK FOR 2010/2011**

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The Group reiterates its prior guidance and expects to report Current Operating Income to be slightly negative to break even in the second half of this fiscal year 2010/2011, excluding non-recurring items.

Below is an indicative timeline of projected and already announced releases for remaining of this fiscal year and 2011:

- *Test Drive Unlimited 2* for Xbox 360, PlayStation3 and PC released in February 2011,
- A series of retail, XBLA, PSN and PC download releases based upon Atari's classic video game brands and Ghostbusters in 2011
- *The Witcher 2: Assassins of Kings*, planned to be released for PC in Spring 2011,
- *Dungeons and Dragons: Daggerdale* for XBLA, PSN, PC download and retail planned release in Spring 2011,
- Several casual and social online game releases based upon Atari's classic video game brands in 2011.

**Forward looking statements:**

*This press release contains forward-looking statements with respect to the financial condition, results of operations, business, strategy and plans of Atari. Although Atari believes that such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside Atari's control, and notably some risks described in the 2009/2010 Document de référence of the group filed by Atari with the Autorité des marchés financiers (French securities regulator) under number D.10-0660 and which is also available in English on Atari's corporate web site (<http://www.atari.com>). The present forward-looking statements are made as of the date of the present press release and Atari disclaims any intention or obligation to provide, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

**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](http://www.atari.com)**

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