



Paris, France, December 27, 2012 - The Board of Atari met on December 23rd to review discussions on capital raising initiatives and to review current trading and financial projections.

To date discussions with potential investors for the underwriting and launch of a rights issue and/or a reserved capital increase have not enabled such an operation to proceed due to general market conditions and the complicated nature of the Company's capital and debt and structure. Consequently, the restructuring agreement entered into on September 28th, 2012 with BlueBay will lapse at its term, i.e. on December 31st, 2012. Although BlueBay has agreed to extend the credit facility agreement to March 31st, 2013 and to continue to forbear from requesting payment of interest due thereunder, BlueBay has indicated that it cannot make available new money thereunder, or in any other form, directly or in the form of an underwriting. The Board was informed that BlueBay is pursuing other options in respect of its stake in the Company, which have yet to be finalized.

The Board also reviewed current trading and noted the difficult market environment in on-line and mobile games, which is affecting all players. In addition, Atari's management has been heavily involved throughout the last few months in discussions with potential investors for capital needed to invest in the day-to-day operation of the business. Pending finalization of these discussions, the Group's financial resources and assets have been managed carefully thus causing delays in key marketing programs, title releases and licensing initiatives.

Despite these circumstances, Atari continues to pursue its efforts to maximize revenue from previously released digital games based upon its highly popular game franchises:

- *Super Bunny Breakout* for iOS (iPhone, iPad) was released in October 2012
- *Atari Outlaw™* was released for iOS (iPhone, iPad) in November 2012
- *Centipede: Origins Free to Play Update* was released for iOS (iPhone, iPad) in November 2012
- *Pong World* was released for iOS (iPhone, iPad) in November 2012
- *Dungeons and Dragons: Warbands™* is anticipated to be released for iPad in the 1st quarter of 2013
- *Atari Casino™* is anticipated to be released for iOS (iPhone, iPad) in the 1st quarter of 2013
- *RollerCoaster Tycoon* is anticipated to be released for iOS (iPhone, iPad) and Android in the 1st quarter of 2013

Consequently, management now expects Current Operating Income for the second half of the fiscal year to be negative, exceeding the loss of the first half. Therefore for the fiscal year 2012/2013, the Company now expects to record a significant loss⁽¹⁾.

The impact of these negative conditions is putting significant strain on the cash resources of the Company and its subsidiaries in the short-term. In addition to the normal operation of the business, the Company is looking at all additional means of raising or preserving cash, including specialised financings.

About Atari, SA

Atari (www.atari.com) is a multi-platform, global interactive entertainment and licensing company. The original innovator of video gaming, founded in 1972, Atari owns and/or manages a portfolio of more than 200 games and franchises, including world renowned brands like Asteroids®, Centipede®, Missile Command®, Pong®, Test Drive®, Backyard

(1) Previous guidance last published on October 25, 2012: "Given 1H 2012/13 release and promising outlook for the rest of the fiscal year, the Company expects to be profitable in 2H 2012/13, as Digital activities should be fostered by a strong pipeline and thus significantly contributed to margin improvement during the second half of this fiscal year. Thus, the Company now expects Current Operating Income to be at or near breakeven for this fiscal year."

Sports® and RollerCoaster Tycoon®. Atari capitalizes on these powerful properties by delivering compelling games online (i.e. browser, Facebook® and digital download), on smartphones and tablets and other connected devices. The Company also develops and distributes interactive entertainment for video game consoles from Microsoft, Nintendo and Sony. As a licensor, Atari extends its brand and franchises into other media, merchandising and publishing categories.

For more information: www.atari.com

Contact:

Investor relations

Calyptus - Marie Ein
Tel + 33 1 53 65 68 68
atari@calyptus.net

Media relations

Relations presse

FTI – Guillaume Granier / Nicolas Jehly
Tel : + 33 1 47 03 68 10
guillaume.granier@fticonsulting.com
nicolas.jehly@fticonsulting.com