



Atari S.A. and its U.S. entities coordinate to request filings for Book 6 procedures in France and Chapter 11 protection in the United States

Paris, France – January 21st, 2013. The Company has been informed by its main shareholder and sole lender, BlueBay, that no solution has been found to date for the sale of its holdings in the Company, and that it is not in a position to continue to support the Company, as the two funds invested in the Company (The BlueBay Value Recovery (Master) Fund Limited, and The BlueBay Multi-Strategy (Master) Fund Limited, which together hold c. 29% of the shares and voting rights in the Company on a non-diluted basis and c. 64% on a fully diluted basis) are in liquidation.

The Company takes note of the fact that, since BlueBay announced its intentions to sell its position in October 2010 and to be repaid on its outstanding credit line, no investor has been willing to replace them as reference shareholder and principal creditor, because of the French listing, limited free float, the complicated nature of the Company's capital structure and the difficult economic and sector operating environment. Despite the Company recording positive current operating income for FY11 and FY12, and having reduced on and off-balance sheet liabilities by approximately € 130 million, with only working capital liabilities and € 21 million owed to Bluebay, the Company has been starved for funds and unable to finance its continued growth.

With the BlueBay credit facility becoming due on March 31st, 2013, and the strain on cash resources experienced by the Group due to adverse trading conditions and limited development funds, management has resolved that it needed to file for Chapter 11 protection in the United States for the US entities of the Atari group, which has been done with immediate effect as of today. Atari SA and Atari Europe SAS have also filed for related procedures before the French courts pursuant to Book 6 of the French Commercial Code. The Board of the Company has been informed and unanimously supports this line of action.

The U.S. entities expect to effectuate, within the next 90 to 120 days, the sale or restructuring, under Section 363 of the U.S. Bankruptcy Code, of all or most of their assets. The U.S. companies have had approval to obtain \$5 million in debtor-in-possession financing from one or more affiliates of Tenor Capital, a firm specializing in distressed lending and transactions. During the Chapter 11 proceedings, the companies will conduct business as usual. As part of the legal process, Mr. Robert Mattes, Group CFO, has stepped down from his Group functions and will remain CFO of the U.S. entities. Mrs. Laurence Betito, Financial Controller of Atari SA, will take over the role of CFO of Atari SA.

Jim Wilson, CEO of Atari explains: *"In light of the current situation with BlueBay, we have decided to take what we think is the best decision to protect the Company and its shareholders. Through these ongoing procedures, and especially the auction process in the US, we will seek to maximize the proceeds in the best interest of the Company and all of its shareholders"*.

In order to ensure equality of access to information and prevent any risk of transactions which would not respect this principle, the Company has requested the suspension of trading of its shares and other financial instruments on the Euronext Paris market of NYSE Euronext. The Company will notify the market of the next steps relating to these procedures.

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 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

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