



UPDATE ON CURRENT SITUATION AND REVENUES FOR THE 3RD QUARTER OF FY 2012/2013

- *New Atari SA management continues to assess the situation and evaluates its options*
- *Revenues fall 64% in third quarter (October 1 to December 31, 2012) and 51% over 9 months (March 1 to December 31, 2012)*
- *While visibility is reduced current activities are strictly limited to the operation of the existing catalog*
- *All solutions implemented will seek to meet the best interests of the Company and all of its shareholders*

Paris, France, February 17, 2013 – On February 5, 2013 Atari SA (the “Company”) announced the arrival of new shareholders, Ker Ventures and Alden Capital, and the appointment of Frederic Chesnais as CEO of Atari SA. Since then, new Atari SA management has been conducting a detailed assessment of the situation of the Group to evaluate the various options and their implementation. This will be the subject of a subsequent communication.

In the meantime, the Group releases its revenues for the quarter ended December 31, 2012 and an update on the status of the Chapter 11 proceedings of the U.S. subsidiaries, proceedings which do not apply to the Group's French companies.

Q3 2012/2013 (October 1 to December 31, 2012) revenues down 64%

Revenues for the quarter ended December 31, 2012 was generated prior to the Chapter 11 filings in the United States, the arrival of the new shareholders and the change of directors. During this particularly difficult quarter, the sharp decline in revenues was mainly due to the lack of financial resources:

- The decrease in digital revenues (77% of the total revenue, -32%) is due to the interruption of the mobile and online games launch plan in light of the lack of resources to promote this type of games.
- The decline in retail and other revenues (23% of Group sales, -81%) continues to reflect the Group's intention to withdraw from this low margins market segment.
- The absence of licensing agreements is linked to the difficulties encountered during the period.

	Q3 2012/2013		Q3 2011/2012		Change	Change
	€m	% of revenues	€m	% of revenues	€m	%
Digital	3.0	76.9%	4.4	40.0%	-1.4	-31.8%
Licensing	0.0	0.0%	1.8	16.4%	-1.8	-100.0%
Retail and others	0.9	23.1%	4.8	43.6%	-3.9	-81.3%
Total revenues*	3.9	100.0%	11.0	100.0%	-7.1	-64.5%

* Since FY 2011/2012 the Company decided, in conjunction with the Company's evaluation of its segments, to change the presentation of the “digital revenues”, and that the mobile and social portions of the “Digital” segment should be reflected on a gross basis. For consistency of presentation purposes the Company has reflected the respective digital distribution revenues in the same manner its accounts accordingly.

For the current quarter (ending on March 31, 2013) and the following months, the operations are exclusively focused on the existing catalog and potential distribution agreements in Europe. In light of the current context, the outlook¹ previously published by the Company has not yet been updated.

9 months 2012/2013 (March 1 to December 31, 2012) revenues down 51%

For the 9 months of 2012/2013, revenues breakdown is as follows:

	Q3 2012/2013		Q3 2011/2012		Change	Change
	€m	% of revenues	€m	% of revenues	€m	%
Digital	7.1	48.0%	14.6	47.9%	-7.5	-51.4%
Licensing	0.4	2.7%	4.7	15.4%	-4.3	-91.5%
Retail and others	7.3	49.3%	11.2	36.7%	-3.9	-34.8%
Total revenues*	14.8	100.0%	30.5	100.0%	-15.7	-51.5%

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Update on the US subsidiaries' Chapter 11 proceedings in the United States²

On January 21, 2013, Atari, Inc., Atari Interactive, Inc., Humongous, Inc., and California U.S. Holdings, Inc. (the "U.S. Debtors") commenced chapter 11 bankruptcy proceedings (the "Chapter 11 Cases") in the United States Bankruptcy Court for the Southern District of New York (the "U.S. Court"). On January 25, 2013, the U.S. Debtors received interim authority from the U.S. Court to enter into a post-petition debtor-in-possession financing arrangement (the "DIP Facility") with Alden Global Distressed Opportunities Master Fund, L.P., Alden Global Value Recovery Master Fund, L.P. and Turnpike Limited. The U.S. Court has approved the retention of Perella Weinberg Partners LP, the U.S. Debtors' financial advisor, for purposes of marketing and selling assets of the U.S. Debtors.

The Board and the management of Atari SA will review the situation of the Atari group in more detail, assess and seek to obtain the financing needed for ongoing operations and work closely with the Atari group's US subsidiaries in reviewing the options available to them under the pending Chapter 11 proceedings. The management will keep the markets regularly informed of the changes in the Company's situation and of major decisions taken.

Since most of the employees and valuable assets are located in the United States, the outcome of the US bankruptcy procedure will be of particular importance to the Company. Atari SA Management expects to have a better appreciation of the outcome of this proceeding within the next few months and before the maturity date of the DIP financing on July 25, 2013.

No assurances can be made at this point regarding any potential recoveries to the existing shareholders.

For more information regarding the Chapter 11 Cases, please visit <http://bmccgroup.com/restructuring/geninfo.aspx?ClientID=316>.

¹ Dec. 27, 2013 press release: "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"

² This update refers to the Atari February 5, 2013 release, available here : http://www.atari.com/sites/default/files/Atari_Pong_Press-release_US_20130205.pdf

As previously stated, the inventory work, the evaluation of the possible options and the Chapter 11 proceedings will carry on for several weeks. All solutions which could be implemented seek to respect the interests of the Company and all of its shareholders, subject to applicable law in the Chapter 11 cases. The resumption of the flotation will occur when the situation is clarified, within an estimated 4 to 6 weeks. The market will be informed with 48 hours notice.

About Atari

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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