

**Signature with Namco Bandai Games Europe of a definitive agreement
establishing strategic partnership for distribution operations
in Europe, Australia, New Zealand and Africa**

Lyon, France, February 3rd, 2009, 8:05am CET – Infogrames Entertainment S.A. (“Infogrames”) announced the signature of a definitive agreement between Atari Europe S.A.S (“Atari Europe”) and Namco Bandai Games Europe S.A.S. (“Namco Bandai”) establishing a strategic partnership. Under the terms of this agreement, Namco Bandai will get a 34% stake in currently named Distribution Partners S.A.S (“Distribution Partners”), a subsidiary of Atari Europe regrouping Infogrames’ distribution operations in Europe, Asia, Africa and South America. Atari Europe will hold the remaining 66% stake in Distribution Partners. In addition, as from the closing of the transaction, Distribution Partners will benefit from exclusive physical packaged-goods distribution rights for video games produced by Namco Bandai in Europe, Australia, New-Zealand and Africa and by Infogrames in these territories as well as in Asia and South America.

The new management team of Distribution Partners will be led by Patrick Staar, Chairman and Jackie Fromion, Managing Director, and will focus on the distribution operations and strategic expansion of the company.

This transaction is key to grow distribution operations as it generates a number of direct benefits:

- Potential revenue growth of distribution operations through the creation of a stronger, more efficient distribution network with exclusive access to Namco Bandai’s and Infogrames’ extensive product portfolio;
- Significant cost savings and operational efficiencies in managing the distribution network;
- New opportunities to establish distribution contracts with other global video game companies.

Upon closing, Infogrames will receive from Namco Bandai a cash payment for this transaction, estimated at approximately €27 million, based on a €80 million enterprise value of Distribution Partners on a ‘cash free, debt free’ basis, before earn out mechanism, as explained in the press release published on September 9, 2008. Formal closing of the transaction will occur after the approval by German antitrust authorities - which management does not expect to be withheld - and is expected to take place by the end of February.

In addition, at the closing of the transaction, Namco Bandai and Atari Europe will sign a shareholders’ agreement including Atari Europe’s put option and Namco Bandai’s call option. Until June 30, 2012 Atari Europe will benefit from a put option to sell its remaining stake of 66% in Distribution Partners to Namco Bandai and from June 30, 2012 to June 30, 2013, Namco Bandai will benefit from a call option over the 66% of Distribution Partners held by Atari Europe. Namco Bandai would be entitled to anticipate the exercise of this call option, notably in the event of change of control of Infogrames to the benefit of a competitor of Namco Bandai, as per Article L.233-3 I 1° of commercial code. For the purposes of Namco Bandai’s call option and Infogrames’ put option, the enterprise value for 100% of the new formed entity would be in the range of €60 million and €190 million based on 7x EBIT of Distribution Partners at the time of the exercise of the option.

About Infogrames Entertainment and Atari:

The Infogrames group, including the Atari brand and the massively multiplayer online game company Cryptic Studios, is a global producer, publisher and distributor of interactive entertainment software for all market segments and all interactive game platforms including consoles from Microsoft, Nintendo and Sony, advanced smartphones, Personal Computers, web and online. Its games are sold in more than 60 countries through an international distribution network and direct to consumers via www.atari.com.

Atari’s extensive catalogue of popular games is based on original franchises (Test Drive, Alone in the Dark, V-Rally, My Horse & Me, Backyard Sports franchise, Total Annihilation, Outcast etc.), Cryptic Studios titles (StarTrek Online, Champions Online), publishing properties (Ghostbusters, The Chronicles of Riddick, The Witcher, Race Pro etc.), international licenses (Dragon Ball Z, Dungeons & Dragons, Jamie Oliver etc.) and classic games covering the entire history of the video game industry (Pong, Missile Command, Asteroids etc).

For more information, please contact:

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