

# Letter to Shareholders

June 28, 2007

To our Shareholders,

It was an honor for me to be appointed Chief Executive Officer of Infogrames on April 4. This marks the first time I am addressing you directly, and I especially want to tell you how determined I am to turn the Company into one of the major players in the video game and interactive entertainment industry. I am convinced that Infogrames has all of the necessary assets, talents and personnel to resume its rightful competitive place and to achieve renewed and sustained growth.

The company published its financial results for fiscal 2006-2007 on June 21. Even though the year was marked by another drop in revenue, it also ended with a significant reduction in debt and an increase in shareholders' equity.

I want to take this opportunity to thank you for your support and involvement in connection with our recent financial measures. The Board of Directors is confident that after the refinancing operations are completed, Infogrames will have a restructured balance sheet that will enable it to embark on a new stage in its development.

Another feature of the year was the improvement in operating ratios, particularly in Europe, where the gross margin rose and operating losses declined. We will continue to work this year on improving Infogrames' operating ratios, in particular by developing a new strategy to boost our sales.

The three main components of the relaunch strategy are as follows:

- First, we will focus on improving distribution by using the Group's international presence and the specific expertise it acquired during the recent difficult period.
- In order to take full advantage of our distribution network, we will give new impetus to our Publishing business, both by generating revenue from historic franchises with significant potential and by targeting new gaming communities with independently designed games and developing new original franchises. We will also be positioning the Group on the basis of innovative business models involving online features, in-game advertising and more business-to-business services.
- Finally, we will continue to optimize the operations of our various entities in order to improve productivity and responsiveness at all levels. At every step of the way, our motto will be: "Simplify, Organize, Manage."

I am confident that by implementing this strategy and relying on Infogrames' talents, the Company will be able to turn itself around. I am counting on you to support this new approach and look forward to seeing you at the next shareholders' meeting.

In the meantime, I invite you to visit our new website – [www.infogrames.com](http://www.infogrames.com) – where you can find all of the corporate and financial information about the Group, as well as a feature for you to “Stay in Touch” with the company's Shareholders' Relations department.

I thank you for your continued trust and loyalty.

Patrick Leleu  
Chairman and Chief Executive

Officer

## SHAREHOLDERS' RELATIONS

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Find all of the corporate and financial information about the Group on our website: [www.infogrames.com](http://www.infogrames.com)