

Atari and Activision Ink Licensing Agreement for Atari(R) Flashback 2

- Plug-and-Play Retro Console to Feature Licensed Activision Games -

NEW YORK, July 12, 2005 /PRNewswire-FirstCall via COMTEX/ -- Atari, Inc. (Nasdaq: ATAR) announced today that it has signed a licensing agreement with Activision, Inc. (Nasdaq: ATVI) to include two of their classic video game hits, Pitfall!(R) and River Raid(R) in Atari's forthcoming Atari(R) Flashback 2. Celebrating the 30th anniversary of Atari's first home game console, PONG, Atari Flashback 2 features more than 40 classic games, including arcade classics, previously unreleased titles from the Atari vault and rare homebrew games created by fans and supporters of Atari's early console models.

(Photo: http://www.newscom.com/cgi-bin/prnh/20050712/NYTU044)

The follow-up to the holiday 2004 hit, Atari(R) Flashback Classic Game Console, which shipped more than 550,000 units to retail, Atari Flashback 2 is modeled after the pioneering Atari 2600 console and features the same wood grain paneling that inspired a generation. The Atari Flashback 2 includes two classic joysticks for multi-player competition, and vintage controls. The plug-and-play system requires no batteries and fits into the A/V jacks of any standard television set.

"The release of the Atari Flashback 2 is perfectly timed to celebrate the 30th anniversary of Atari's first home game console, PONG and with the addition of Activision's two legendary games, Pitfall! and River Raid joining the lineup, Atari Flashback 2 is poised to become the definitive retro-gaming experience available," said Wim Stocks, Executive Vice President, Sales, Marketing, Licensing and Distribution for Atari. "Moving forward, we hope to license additional best-selling classics from other publishers for inclusion on future Atari Flashback products."

Pitfall! was released in 1982 and went on to become one of the all time favorite video games with its unique side-scrolling platform game play and remarkable visual effects, while River Raid places gamers in the cockpit of a jet where they must compete against an ever-dwindling fuel supply in a race to hit targets and pick up fuel.

The Atari Flashback 2 game line-up includes more than 40 games spanning a variety of 8-bit genres. In addition to home arcade classics such as Missile Command(TM), Combat(TM) and Asteroids(TM), the system features innovative new games from self-taught "homebrew" developers -- a dedicated fan base of the 8-bit architecture that has kept the original spirit of Atari alive by developing original games and sequels to some of their favorite games. The Atari Flashback 2 also feature prototypes of previously unreleased games that have been taken from the 2600 vault, including unreleased games such as Aquaventure and Combat 2.

Adds Dave Anderson, Senior Director of Business Development for Activision, "Pitfall! and River Raid have long been icons in their respected genres and we are excited to reintroduce these great Activision classics via the Atari Flashback 2."

Developed by Atari, the Atari Flashback 2 is scheduled to ship in August for under \$30 at retailers nationwide.

About Atari

New York-based Atari, Inc. (Nasdaq: ATAR) develops interactive games for all platforms and is one of the largest third-party publishers of interactive entertainment software in the U.S. The Company's 1,000+ titles include hard- core, genre-defining games such as DRIV3R(TM), Enter the Matrix(TM), Neverwinter Nights(TM), Stuntman(TM), Test Drive(R), Unreal(R) Tournament 2004, and Unreal(R) Championship; and mass-market and children's games such as Backyard Sports(TM), Nickelodeon's Blue's Clues(TM) and Dora the Explorer(TM), Dragon Ball Z(R) and RollerCoaster Tycoon(R). Atari, Inc. is a majority-owned subsidiary of France-based Infogrames Entertainment SA (Euronext 5257), the largest interactive games publisher in Europe. For more information, visit http://www.atari.com.

About Activision

Headquartered in Santa Monica, California, Activision, Inc. is a leading worldwide developer, publisher and distributor of interactive entertainment and leisure products. Founded in 1979, Activision posted net revenues of \$1.4 billion for the fiscal year ended March 31, 2005.

Activision maintains operations in the U.S., Canada, the United Kingdom, France, Germany, Italy, Japan, Australia,

Scandinavia, Spain and the Netherlands. More information about Activision and its products can be found on the company's World Wide Web site, which is located at http://www.activision.com.

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