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ATARI AND FIRAXIS GAMES ENTER INTO LONG-TERM DEVELOPMENT/PUBLISHING DEAL

-- Deal Broadens Existing Relationship to Encompass New Titles and Further Expand Hugely Successful Sid Meier's CIVILIZATION® Franchise --

New York, New York, May XX, 2003 – Global interactive entertainment publisher Atari, Inc. (Nasdaq: ATAR) and Firaxis Games today announced a long-term development and publishing deal.

Expanding upon Atari's established publishing relationship with Firaxis Games, the renowned developer behind the blockbuster **SID MEIER'S CIVILIZATION®** franchise and home of the legendary designer Sid Meier, the new deal includes the development/publishing of the long-awaited return of **SID MEIER'S PIRATES!®**; a variety of additional properties from the **CIVILIZATION®** franchise over the next several years; and the transfer of rights to Firaxis of certain classic Sid Meier games, certain of which will be published by Atari.

The new **PIRATES!®**, which will launch on the PC in 2004, will be the follow-up to the award-winning 1987 smash hit game which set the industry standard for hybrid game design. **CIVILIZATION® CONQUESTS**, the new expansion pack to **CIVILIZATION III**, will debut in time for the holidays, joining the illustrious **CIVILIZATION** franchise which has already sold more than 4.5 million units worldwide to date.

Atari has transferred to Firaxis the rights to several classic properties, including **SID MEIER'S CPU BACH™**, **SID MEIER'S COLONIZATION®**, **COVERT ACTION**, **GUNSHIP®**, **SILENT SERVICE: THE SUBMARINE SIMULATION®**, **F19 STEALTH FIGHTER** and **F15 STRIKE EAGLE**. Firaxis Games will continue to partner with Atari to publish certain of these key properties.

And, in a further extension of the relationship between the two companies, the first rights of negotiation to develop and publish two unnamed future titles have been granted to Firaxis and Atari, respectively.

"The team at Firaxis, led by Sid Meier and Jeff Briggs, is among the most accomplished and respected in our industry," said Bruno Bonnell, Chairman and Chief Executive Officer of Atari, Inc. "We could not be more delighted to expand what has already been such a productive and successful relationship with Firaxis."

Mr. Bonnell continued, "Deals such as this not only demonstrate Atari's commitment to working with the finest talent but also our resolve to deliver Triple A games now and into the future, as well as our commitment to the PC gaming market. We share Firaxis' passion for innovation and desire to continue to push the boundaries of interactive entertainment and we, like the rest of the gaming world, will await these new titles with great anticipation."

"With Civ III, Firaxis and Atari have shown the world that we can breathe new life into the games that fans have played and loved for decades and deliver some of the best gameplay experiences available today," said Sid Meier, Director of Creative Development at Firaxis Games. "We're inundated with requests from fans asking us to bring back some of my classic games and I'm excited that we now have that opportunity," Meier added.

"Atari is a premier publisher in the industry and we're thrilled that our strong relationship with them will once again reunite us with Sid's classic games," said Jeff Briggs, President and CEO of Firaxis Games. "These titles represent some of the most engaging and fun games ever created for the PC, and both Firaxis and Atari are looking forward to bringing these classics to a new generation of gamers!"

About Firaxis

FIRAXIS Games, home of legendary designer Sid Meier, is one of the world's premier independent game development studios. Headquartered in Hunt Valley, Maryland, FIRAXIS has created some of the most successful and award-winning PC games on the market. The company's most recent hit titles include: Sid Meier's SimGolf (published by Electronic Arts), the mega-hit Sid Meier's Civilization III (published by Infogrames), and Sid Meier's Civilization III: Play The World (published by Infogrames), the multiplayer expansion pack to the legendary strategy game. Firaxis has a rich history of great games including: Sid Meier's Gettysburg!, Sid Meier's Alpha Centauri, Sid Meier's Alien Crossfire and Sid Meier's Antietam!. For more information on FIRAXIS Games visit www.firaxis.com.

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 *Driver*[™], *Enter the Matrix*[™], *Neverwinter Nights*[™], *Stuntman*[™], *Test Drive*[®], *Unreal*[®] *Tournament 2003*, and *Unreal*[®] *Championship*; and mass-market and children's games such as *Backyard Sports*[™], *Nickelodeon's Blue's Clues*[™] and *Dora the Explorer*[™], *Civilization*[®], *Dragon Ball Z*[®] and *RollerCoaster Tycoon*[®]. 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 www.atari.com.

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