

FROM:

Atari Corporation
1196 Borregas Ave
Sunnyvale, CA 94086



FIRST CLASS MAIL

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To:

America's
Greatest Kids
Everywhere, USA



2600

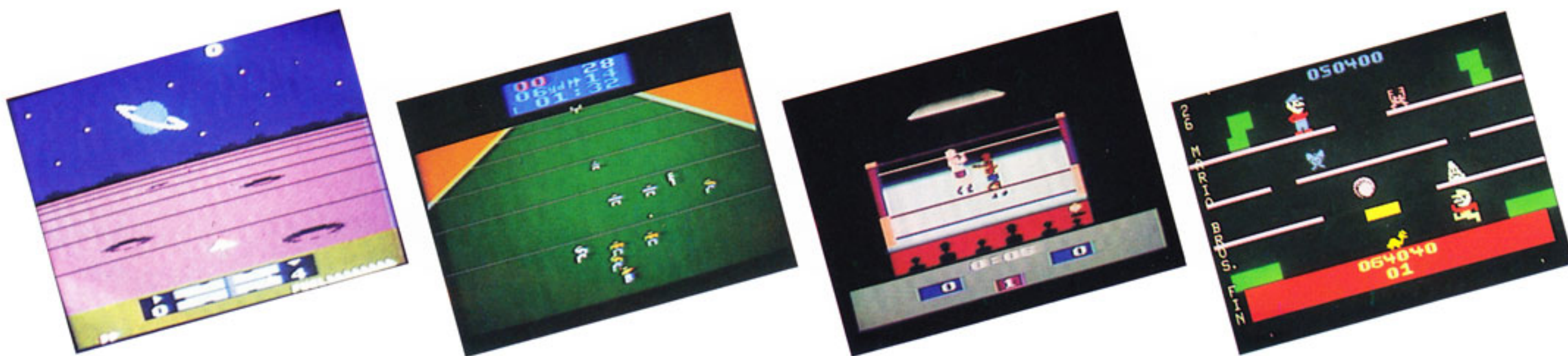


Whether its hot new software, great consumer promotions or new television advertising, Atari has the Winning Package for 1988. Video game sales have skyrocketed in 1986 and 1987; prospects for substantial sales and profit increases in 1988 are tremendous with Atari's Winning Package. Here's what the Winning Package includes:

The 2600 is the industry's heavyweight champ, having outsold all other systems combined, and it continues racking up new sales records with every 2600 system sold. The only system under the magical \$50 price point, the 2600 is recognized as one of the best consumer values around. The compact design and its carrying case package make it easy to merchandise. The 2600 is the profitable opening price point that every retailer should carry.

With over 25 million units already sold, the ongoing demand for 2600 software is phenomenal. Atari is aggressively expanding its support of the 2600 with the release of six new games, including Crossbow, Super Baseball and Super Football. Best of all, 2600 games start at less than \$10, offering terrific margin opportunities.

The added impact of Atari's powerful new Advertising and Promotion Campaign will be bringing in new 2600 owners as well as making the current installed base more enthusiastic about these great new Atari games. The 2600—truly an integral component of Atari's Winning Package.



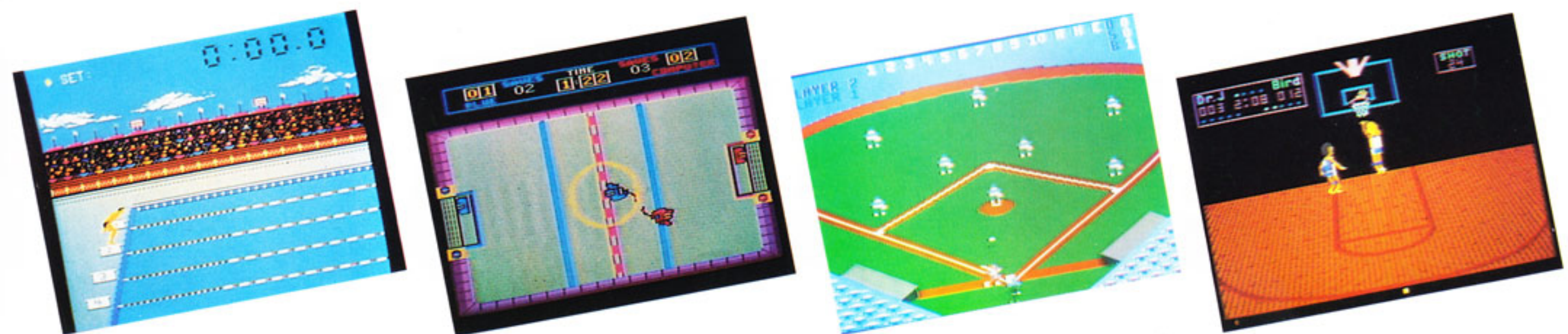
7800



Atari's Winning Package continues. After total sellouts in 1986 and 1987, the 7800 is hot again in 1988! Superb graphics, lifelike animation, exciting sound effects and game play make the 7800 the standard of the industry. The 7800 has the advantage that only Atari can provide—the combination of performance and value that can't be beat. Plus, the 7800 plays every 2600 game, making it the perfect "trade-up" system for 25 million 2600 owners.

The 7800's highly visible, four-color package is designed to make merchandising easy. The system comes with Atari's Deluxe Asteroids™ game cartridge and new Atari Joy Pad controllers. Atari will introduce 19 new game titles specifically designed to take advantage of the 7800's technology. These introductions include arcade titles like Commando and Mario Bros., new sports games like Summer and Winter Games, and computer classics like Ace of Aces and Skyfox. And, since it's compatible with the 2600, there are six more new titles for you to sell. The 7800 will be hotter than ever thanks to Atari's all-new 1988 advertising and promotion campaign. Twice as much advertising means twice as much awareness which could mean twice as many customers demanding the profitable 7800 hardware and software.

With the high margins at the tonnage price point, and with software in the \$20.00 retail range supported by a multi-million-dollar advertising campaign, the Atari 7800 is a Winning Package for every retailer.

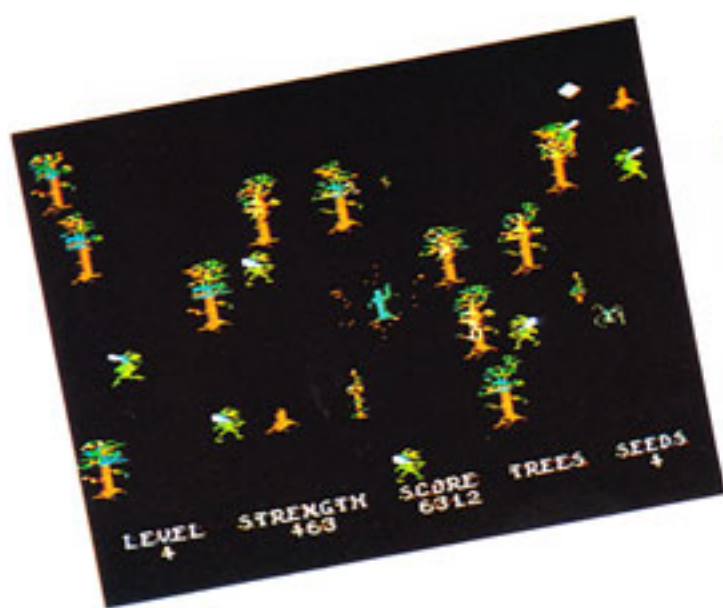


ATARI XE GAME SYSTEM



The XE was a complete sellout in its 1987 introductory year and provides a whole new dimension to Atari's Winning Package for 1988. The system has proved to be the choice of the advanced video game player who knows that you need computer-based technology, superior memory, and a full-function keyboard to play the most complex, challenging and exciting games.

The XE is merchandised as the complete video game system. Included are three outstanding games — Flight Simulator II, the best selling computer game ever; arcade classic Missile Command; and, for 1988, a new shooting game to test your marksmanship skills. The XE also includes a controller designed to be compatible with each of the three games. The XE comes with a joystick, a full-function keyboard and light gun.

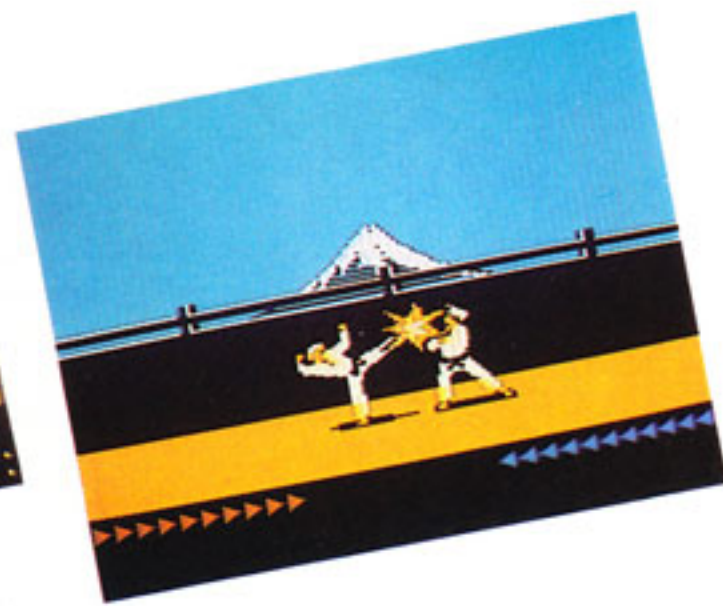
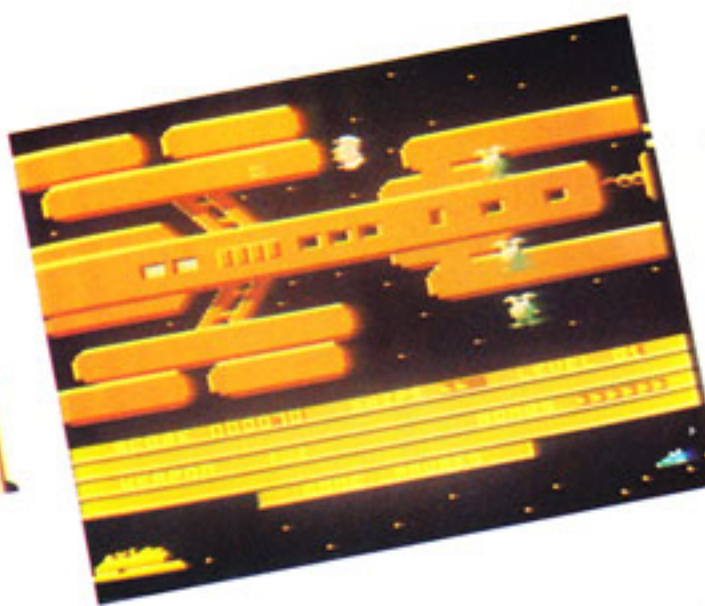
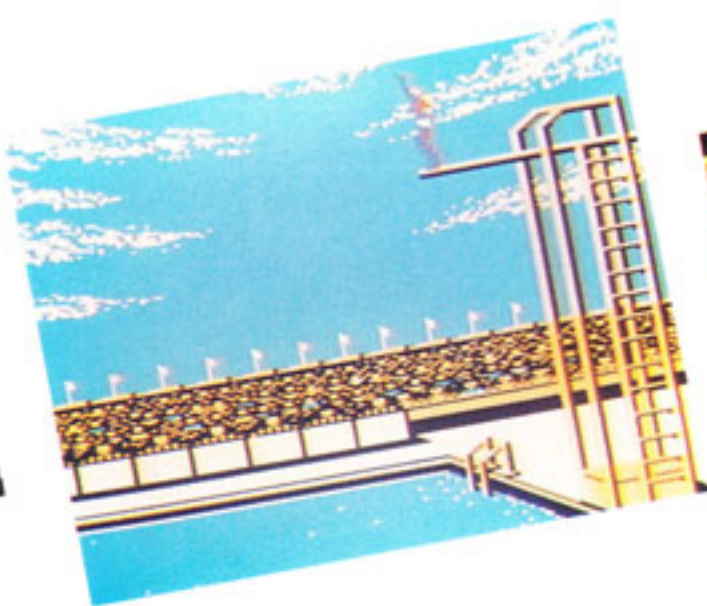
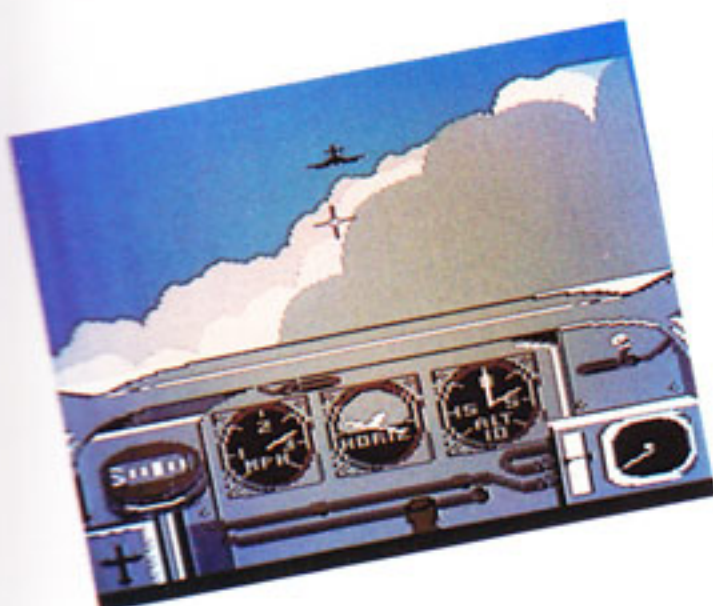




The game library for the XE will expand to 52 titles with the addition of 19 new games for 1988, including arcade hits like Choplifter and Mario Bros.; sports games like Mean 18 Ultimate Golf and Summer Games; and computer classics like Karateka and Necromancer.

The XE will be supported year-round as part of Atari's powerful new advertising and promotion campaign. With an Atari disk drive and printer as the top reward, the new **Atari Advantage** collectors' promotion gives the XE game player who collects 25 of the XE titles a valuable return on his investment.

The XE—a complete and Winning Package.



ATARI 1988 ADVERTISING

ADVERTISING

Winning advertising sells product and Atari has a pool of great new television commercials to create attention, tell our product story and move systems and game cartridges off your shelves. Our new system, software, and consumer-promotion commercials are backed by a multi-million-dollar national media campaign that will reach over 90% of your video game customers over and over again during the peak September through December selling season.

The budget—which is twice that of 1987—includes kid, fringe and prime time programming.

CONSUMER PROMOTIONS

The Winning Package also includes exciting consumer promotions to help move Atari game cartridges off your shelves this summer and fall at a phenomenal clip.

A television-advertised World Series Sweepstakes for Atari's baseball games in August will be the "lead off" promotion, followed by an exciting Superbowl Sweepstakes that coincides with the NFL playoffs in November and December. Adding new excitement to the all-important 1st Quarter of 1989 will be an NBA promotion timed to run with the end of the NBA season.

What's more, Atari introduces the **Atari Advantage**, a continuing program where Atari customers earn valuable prizes as they collect Atari game cartridges.

Whether its a sweepstakes or collecting—each and every promotion is designed to bring customers into your stores to buy cartridges, making your sales skyrocket!

ATARI 1988 ADVERTISING & PROMOTION SCHEDULE For XE, 7800 and 2600 Video Game Systems

	August	September	October	November	December	1st Quarter
TELEVISION	SPOT WORLD SERIES SWEEPSTAKES	NATIONAL SYNDICATION SPOT (Top 40 Markets) CABLE	NATIONAL SYNDICATION SPOT (Top 40 Markets) CABLE	NETWORK NATIONAL SYNDICATION SPOT (Top 40 Markets) SUPERBOWL SWEEPSTAKES CABLE	NETWORK NATIONAL SYNDICATION SPOT (Top 40 Markets) CABLE	SPOT NBA SWEEPSTAKES
CONSUMER PROMOTIONS	WORLD SERIES SWEEPSTAKES	WORLD SERIES SWEEPSTAKES		ATARI ADVANTAGE COLLECTORS* PROMOTION SUPERBOWL SWEEPSTAKES	ATARI ADVANTAGE COLLECTORS* PROMOTION SUPERBOWL SWEEPSTAKES	ATARI ADVANTAGE COLLECTORS* PROMOTION NBA SWEEPSTAKES

*The Atari Advantage Collectors' Promotion continues through 1989.
Schedule subject to change at any time by Atari.

AND PROMOTION CAMPAIGN

THREE GREAT SWEEPSTAKES

Consumers who purchase any one of Atari's great baseball games can qualify for the **World Series Sweepstakes**. The grand prize is an all-expense-paid trip for two to select games of the 1988 World Series. Hundreds of other prizes will be awarded to additional winners through a random drawing from entries received. Entry blanks are available only at Atari video game dealers.

The promotion is supported by its own 30-second commercial starring All-Star short-stop Ozzie Smith of the St. Louis Cardinals and is scheduled to air in August. In-store support consists of a counter card with "Take One" entry forms. Complete sweepstakes rules will be printed on the entry forms.

Consumers who purchase any one of Atari's great football games during November or December can qualify for the **Superbowl Sweepstakes**. The grand prize is an all-expense-paid trip for two to Superbowl XXIV. The promotion will "kickoff" with a 30-second television commercial, starring last year's Superbowl MVP Doug Williams of the Washington Redskins, in November. Again, hundreds of additional prizes will be awarded and sweepstakes counter cards will be used for in-store support.

Consumers who purchase any one of Atari's great basketball games, including One-on-One Basketball, during March of 1989 can qualify for the **NBA Championship Sweepstakes**. The grand prize is an all-expense-paid trip to select games of the next NBA Championship playoff series.

THE ATARI ADVANTAGE COLLECTORS' PROGRAM

From now on, every time Atari owners buy an Atari game cartridge they will be earning credit toward great prizes. Buy five and you can choose a free, colorful Atari Game Player's Special T-shirt, save a few more and you can get a free game, a few more gets you a system upgrade or peripherals. Collect enough and you are entered into a drawing for a fabulous trip to California to see Atari games being designed and made at Atari Headquarters.

Details and your **Atari Advantage** COLLECTORS' POSTER are inside each game package.

Additional in-store merchandising materials are available from Atari to announce and support this exciting, new, ongoing program.

IN-STORE MERCHANDISING

Atari will continue to supply qualified retailers with displays for XE and 7800 game systems. In addition, a new display will be available for the 2600.

A counter display containing 50 of Atari's free "Take One" video game brochures is also available.

The **Atari Advantage** will be supported with special display-size posters for in-store display and promotion of this great program.

One of Atari's most effective merchandising tools is its outstanding retail packaging that provides a line look for each system and makes merchandising at the retail counter easy.



ATARI® T.V. ADVERTISING

ATARI XE GAMES

:30-second T.V. spot



Screen 1:

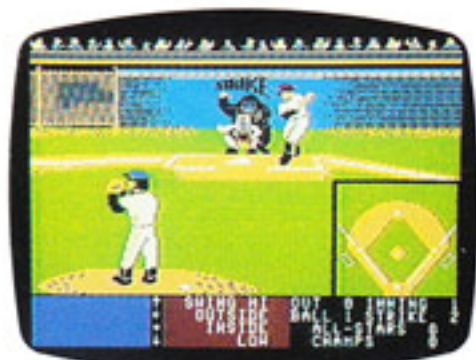
ANNCR: And now the sports guy.

Sports Guy: When it comes to sports video games, Atari's playing Hardball.



Screen 2:

Sports Guy: On the Atari XE game system, you can juggle your own lineup.



Screen 3:

Sports Guy: and mow down batters with 16 different pitches.



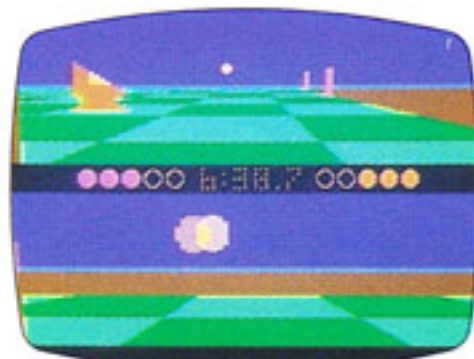
Screen 4:

Sports Guy: Hey, that's baseball.



Screen 5:

Sports Guy: Or, new Fight Night, build your own fighter...stick and move through five different opponents.



Screen 6:

Sports Guy: Or, Ballblazer, soccer in the twenty-second century.



Screen 7:

Sports Guy: Or, shoot-up the entire farm with new Barnyard Blaster.



Screen 8:

Sports Guy: When it comes to sports video games, the name of the game is XE from Atari.

ATARI XE GAMES

:30-second T.V. spot



Screen 1:

SFX Under:

Announcer: Now you can play the greatest computer hits on the new Atari XE game system.



Screen 2:

Announcer: With state-of-the-art graphics, life-like animation and great sound effects. They're so sophisticated... they almost speak for themselves.



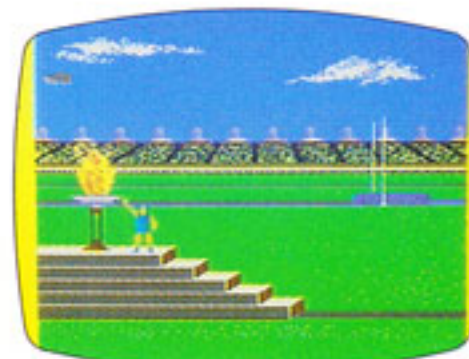
Screen 3:

Game SFX: From Star Raiders II.



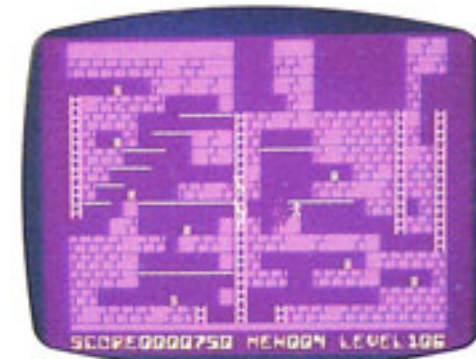
Screen 4:

Game SFX: From Flight Simulator II



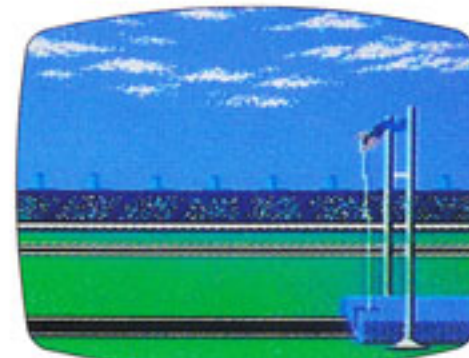
Screen 5:

Game SFX: Music from Summer Games



Screen 6:

Game SFX: From Loderunner



Screen 7:

Game SFX: From Summer Games



Screen 8:

Game SFX: From Summer Games

Announcer: Computer hits on XE game cartridges from Atari. They speak for themselves!

ATARI® T.V. ADVERTISING

ATARI 2600 GAMES

:30-second T.V. spot

ATARI XE GAME SYSTEM

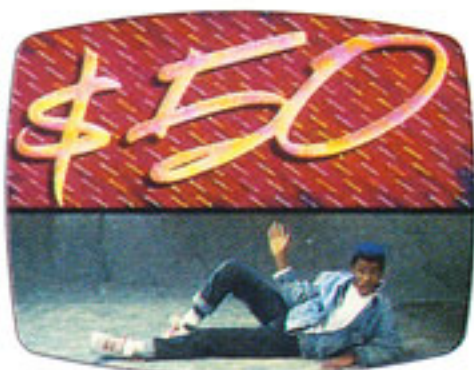
:30-second T.V. spot



Screen 1:
SFX & Music Under: The Fun is Back, as you can see...



Screen 2:
with the 2600 from Atari.



Screen 3:
Still under fifty bucks. But wait, there's more, there's a stack of new games at your video store.



Screen 4:
Fire Solaris to protect your base...then blast off into hyperspace!



Screen 5:
In RealSports Boxing the action's rough. If you're goin' to make it, you've got to be tough.



Screen 6:
Midnight Magic is an arcade blast...like a pinball wizard you've got to think fast.



Screen 7:
The Fun is Back...Oh, yes-siree.



Screen 8:
New 2600 games from Atari.



Screen 1:
Announcer: The heads of four leading computer game companies are selecting the best feature of the Atari XE game system.
Presidents: All talking about the XE under the announcer.



Screen 2:
Announcer: Gentlemen, your decision.
Presidents: All try to speak at one time.
Announcer: One at a time, please!



Screen 3:
Broderbund President: Loderunner has a hundred and fifty levels...high tech animation is the story on the XE.



Screen 4:
SubLogic Chairman: Flight Simulator needs computer power...only the XE has it.



Screen 5:
Epyx President: Sound effects are a must for Summer Games. The XE practically sings.



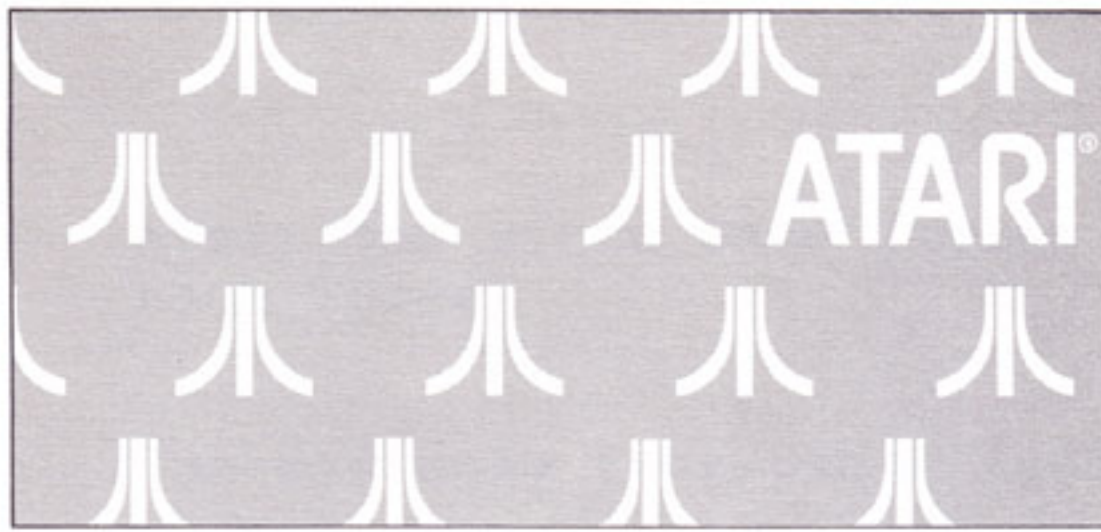
Screen 6:
Accolade President: But look at the great graphics on Hardball!



Screen 7:
Announcer: So what's a great game system for playing your computer games?
Presidents: The Atari XE!



Screen 8:
Announcer: They Agree!



Press Release

FOR IMMEDIATE RELEASE

Amidei and Company
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CES Booth 9405

ATARI TO RELEASE 45 NEW VIDEO GAME TITLES IN SECOND HALF OF '88

CHICAGO, June 4, 1988 -- Atari is continuing its dramatically intensified and successful licensing program by signing video game licensing agreements for successful games from other formats with such arcade and computer game companies as Accolade, Broderbund, Cosmi, Data East, Electronic Arts, Epyx, Exidy, LucasFilm, Namco, Spectrum Holobyte and subLOGIC.

Atari will add 45 new game titles to its growing video game library in 1988, said Michael Katz, president of Atari's Entertainment Electronics Division.

An exciting selection of new adventure, arcade/action and sports games will be available in stores this year. New titles are planned for all three Atari video game systems: the XE game system, the most advanced game system available; the 7800 system, which has arcade-quality graphics and plays both its own line of super-games and all games for the 2600; and the 2600 system, which, at less than \$50, is the best-selling

video game system of all time.

New XE titles

More than 19 new games will be available by the end of the year for the popular XE game system. The XE is the only system that can play computer games requiring a keyboard, and is also able to play games requiring the use of a joystick or gun. "Gato," a computer game conversion licensed from Spectrum Holobyte, will be available in '88. In "Gato," an adventure game, the player acts as a submarine commander facing many difficult and realistic combat situations.

Two more exciting adventure games due out this summer are "Ace of Aces" and "Into the Eagles Nest." In "Ace of Aces," licensed from Accolade, the player pilots a British Mosquito fighter/bomber. The player must select his armaments and battle German fighter planes, V-1 rockets, U-boats, and trains. "Into the Eagles Nest," licensed from Pandora, has the player, a lone American soldier, enter Hitler's infamous Eagles Nest stronghold. The player must complete one of four dangerous and exciting missions.

Atari is also releasing several challenging new arcade/action games for the XE. In "Necromancer," developed by Bill Williams, the player takes the part of a druid magician controlling an army of living trees and battling evil demon spiders and zombie-like "hammer fists" to reach the final confrontation. The arcade classic "Food Fight," an Atari original, places the player in more than 100 levels of an

Atari New Video Game Titles
Page Three

increasingly fast-paced food fight. "Commando," licensed from Data East, is an exciting version of the coin-op game. The player is a commando battling enemy soldiers and rescuing POWs, using his rifle and hand grenades for protection. In "Desert Falcon," another Atari original, the player flies across the desert in search of treasures and hieroglyphs to aid in his battle with the evil sphinx and his minions. In "Karateka," licensed from Broderbund, the player is a brave karate master who must rescue his princess from the evil warlord, Akuma. The player must battle his way past a series of Akuma's increasingly tough warriors, and then battle Akuma himself, before rescuing the beautiful princess.

Atari will release several new XE game titles each month for the remainder of the year, Katz said.

New games for the 7800 System

Atari also plans to release many new game titles for the 7800 system. "Ballblazer," a unique and challenging arcade/action game licensed from LucasFilm Games Ltd., was released in March. A split-screen playing field offers an accurate 3D perspective for two players as they compete for control of the ball.

New adventure titles are due out for the 7800 this summer. In "Dark Chambers," developed by John Palevich, two players work together as they travel through 26 dungeon levels. They must avoid the evil creatures that lurk everywhere, using daggers to ward them off. The players must

collect food and drink to keep up their strength, keys to open doors, and the treasures they find along the way.

Two new arcade/action games due this summer are the 7800 version of "Desert Falcon" and "Impossible Mission." In "Impossible Mission," licensed from Epyx, the player must enter the headquarters of Evil Elvin Atombender, avoid his robot defenders, and stop Elvin from blowing up the world.

Among the new sports games to be released soon are "Summer Games" and "Winter Games," two multi-event sports competitions licensed from Epyx. "Hat Trick," an ice hockey competition, and "Super Baseball" also will be released this summer. "Super Baseball" is an advanced game that allows the player to choose his swings while at bat, his pitches while on the mound, and a number of defensive options.

More new 7800 games are scheduled to be released each month.

New 2600 software

Many exciting new games are scheduled to be released this year for the 2600, Atari's best-selling system. "Crossbow," a new arcade/action title, was released for the 2600 in May. Licensed from Exidy Inc., "Crossbow" challenges the player to protect his companions as they journey through a treacherous castle.

Another new arcade/action title to be released soon is "Sprintmaster," a race car game offering nine track configurations and three track surfaces, including ice and

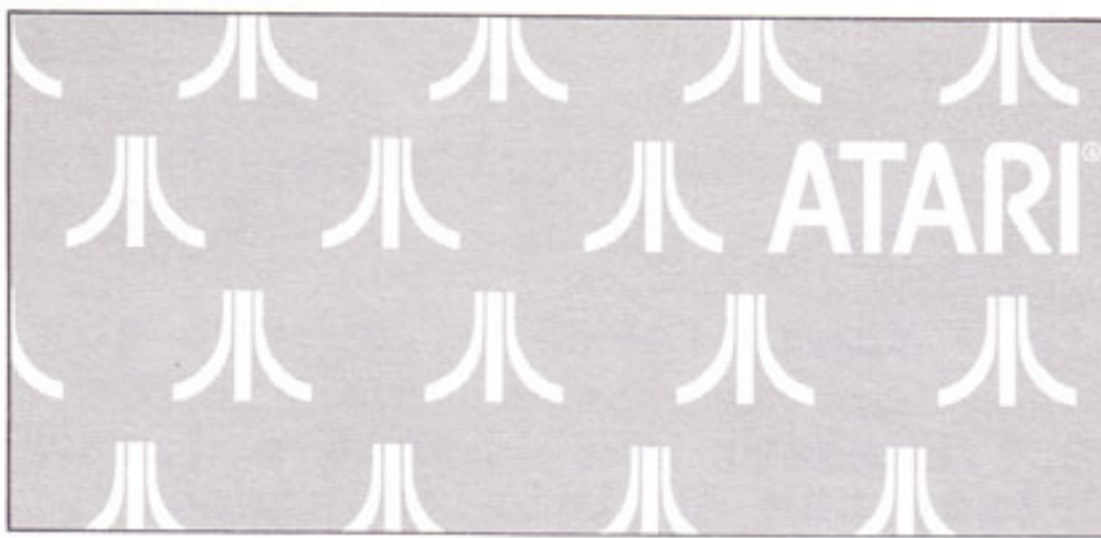
Atari New Video Game Titles
Page Five

dirt.

The most advanced sports games available to date, "Super Baseball" and "Super Football," will be released soon.

Atari Corp. is a leading international manufacturer, marketer and distributor of video game hardware, software, peripherals and accessories. Atari's stock is listed on The American Stock Exchange and trades under the ticker symbol ATC. For more information, contact: Michael Katz, Atari Corp., 1196 Borregas Avenue, Sunnyvale, CA 94086. Telephone: (408) 745-4691.

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CES Booth 9405

**ATARI ADDS INDUSTRY PROFESSIONALS TO VIDEO GAMES
STAFF TO SUPPORT SKYROCKETING SALES**

CHICAGO, June 4, 1988 -- Atari's Entertainment Electronics Division has substantially expanded its sales and marketing staff to support the anticipated doubling of sales for the third year in a row.

Michael Katz, president of the division, said Ronald L. Stringari has been appointed vice president of sales and marketing. Stringari has an extensive background in retail, including 16 years with Sears where he bought and marketed its video game product line. He was Atari video games marketing vice president from 1981-83.

Bob Harris joins Atari as marketing director for the division. Harris just left Sega, where he served as advertising and marketing director for the last two years. Before that, he spent 13 years at the J. Walter Thompson

- more -

advertising agency where he supervised the Activision account, among others.

Bob Blau has just joined Atari as sales director for the eastern and southern regions. Blau has 10 years of sales management experience in video games and toys with Coleco and the Knickerbocker Toy Company.

Bob Schuricht has been hired as sales director for the Midwest region. Schuricht most recently was a founder and national sales and marketing manager for CSS, a major national computer software and hardware distributor. Before that, he held sales and management positions in the financial services industry.

Jeneane Harter has been named division marketing manager. Harter, who was with Atari's computer division before moving over to the Entertainment Electronics Division, brings a great deal of video game marketing experience with her. She previously worked at Epyx, a leading video game software company, where she held a number of marketing posts. Prior to that she was director of licensing for Exidy, a coin-op company.

Madeline Gordon has been hired as manager of sales planning and merchandising. She most recently was employed at Capcom, the video coin-op game company, as sales administration manager. Previously, she held a sales support position with Axlon Inc. and was a general manager for Microsel Distributing, a pioneer video game distributor for six years.

Dave Staugas has been named software engineer, responsible

for designing development systems and other software tools for Atari's video game systems. Staugus was with Atari's computer division before transferring to the Entertainment Electronics Division. He has been with Atari for six years as a video game designer and software engineer. Prior to coming to Atari, Staugus was a video game designer in the arcade industry.

Juli Wade has been named assistant product manager for the 2600 line. She worked for the Atari computer division from 1981-1983 as an associate engineer then rejoined the company in 1985, working in software test and operations before her latest appointment.

Katz said the staff expansion is needed to handle the division's growth this year, when he expects video game sales to double over those of last year.

Atari Corp. is a leading international manufacturer, marketer and distributor of video game hardware (the 2600, 7800 and XE video game systems), software, peripherals and accessories. Atari's stock is listed on the American Stock Exchange and trades under the ticker symbol ATC. For more information contact: Atari Corp., 1196 Borregas Ave., Sunnyvale, CA 94086. Telephone: (408) 745-2000.

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CES Booth 9405

ATARI MAKES STRONG SHOWING IN RESURGENCE OF INDUSTRY IT CREATED

SUNNYVALE, Calif., Summer 1988 -- Atari has set its sights on doubling video game sales for the third year in a row as it continues to lead the industry's comeback.

Michael Katz, president of Atari's Entertainment Electronics Division, said the keys to another strong year of sales will be new game cartridges, innovative consumer promotions, an advertising budget twice that of last year's, and increased major retailer distribution for its three game systems and new game cartridges.

Atari's major objective is to increase market share in the category and build consumer awareness of Atari as the most aggressive player in the rejuvenated video games industry. In 1987, Atari had a 30 percent share of video game units sold, which accounted for 20 percent of the industry's total dollar sales.

Video game sales dipped sharply several years ago before rebounding in 1986. In 1985, the video game industry sold an estimated 500,000 hardware units, compared to the estimated

hardware sales for 1988 of eight million units. Sales rose dramatically to more than \$1.1 billion at retail in 1987, and analysts forecast sales of about \$1.9 billion this year.

Katz said Atari is on target with its sales projections for this fiscal year, which ends Dec. 31, 1988, and is preparing for a major marketing push in the third and fourth quarters. New products, including a line of peripherals and accessories and new games introduced at the Summer Consumer Electronics Show, will contribute to another strong year for the company.

Atari products

Atari leads the industry in number of units sold, having an installed base of more than 30 million units, compared to its leading competitor's installed base of 4.1 million.

Atari offers the broadest line of video game hardware in the industry, with three systems available. No other major video game manufacturer sells more than one system. Atari retails the 2600 game system, the best selling video game system of all time, for \$49.95. The 7800 system, for the intermediate to advanced player, retails for \$79.95, and the XE, the most advanced video game system on the market, retails for \$149.95.

Atari offers the least expensive and largest video game software library, with more than 160 games available. Software for the 2600 is \$10 - \$20, for the 7800, \$15 - \$25, and for the

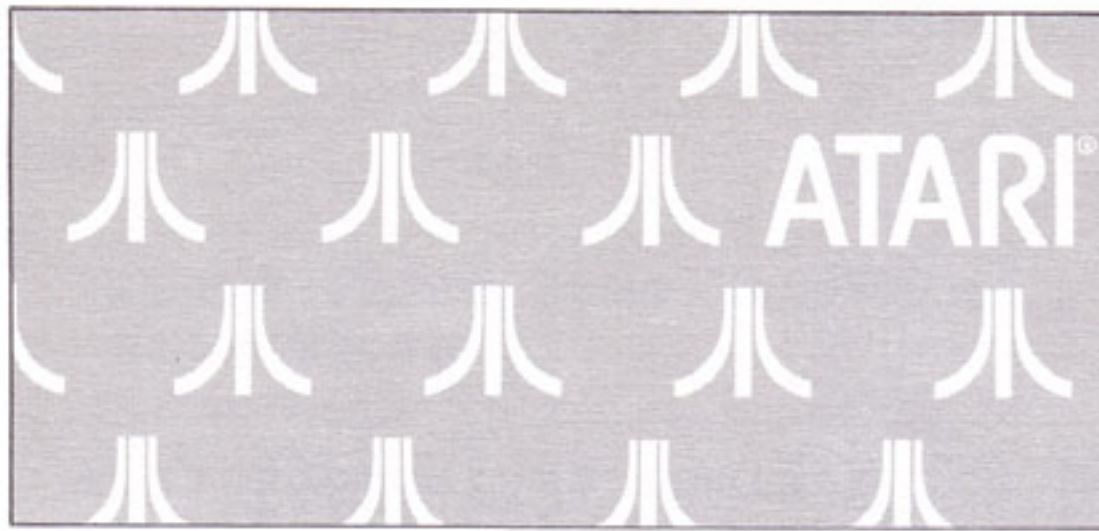
Video Game Industry Background
Page Three

XE, \$15 - \$30. Every other major video game manufacturer sells game software priced from \$20 - \$50, with most in the \$25 to \$40 range.

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ATARI OFFERS MOST DIVERSE LINE OF VIDEO GAME HARDWARE

SUNNYVALE, Calif. -- In today's competitive video game market, Atari is the only company with a broad line of video game hardware with systems for all levels of players. The Atari Entertainment Electronics division offers the XE game system, the most sophisticated system available, as well as the state of the art, downward compatible 7800 system, and the 2600, the most popular video game of all times.

The Atari XE Video Game

The ultimate in today's game systems is the Atari XE, the most powerful video game system on the market. The brain of Atari's newest system is an 8-bit computer with 64 kilobytes of memory, more powerful than the processing unit for any comparable product. Adding a disk drive to the XE, which comes with a keyboard, effectively turns the game system into a fully functioning computer. The XE is able to play more games, including those for the Atari XE and XL computers, than any other game system. The large memory gives the XE vivid color,

Atari Video Game Hardware

Page Two

crisp graphics and realistic sound for maximum excitement from a growing library of challenging games.

The system includes the console, attachable keyboard, video gun, joystick and the following games -- Flight Simulator II, the all-time best-selling computer game, Missile Command, the arcade classic and Barnyard Blaster, a new shooting game, all this for less than \$150. The XE game cartridges store more than 256 kilobytes of program, twice that of any comparable unit. Atari also sells an XE disk drive, enabling the XE system to play hundreds of disk-based games.

The 7800 System

Atari introduced the model 7800 in 1986, and it has been a best seller ever since. Retailing for less than \$90, it offers arcade-quality graphics, life-like animation and sound, and a memory large enough to run entertainment software designed for home computers. The 7800 has its own games and super-games and can also play all games designed for the 2600 system. The model comes with two joypad controllers and the Pole Position II cartridge.

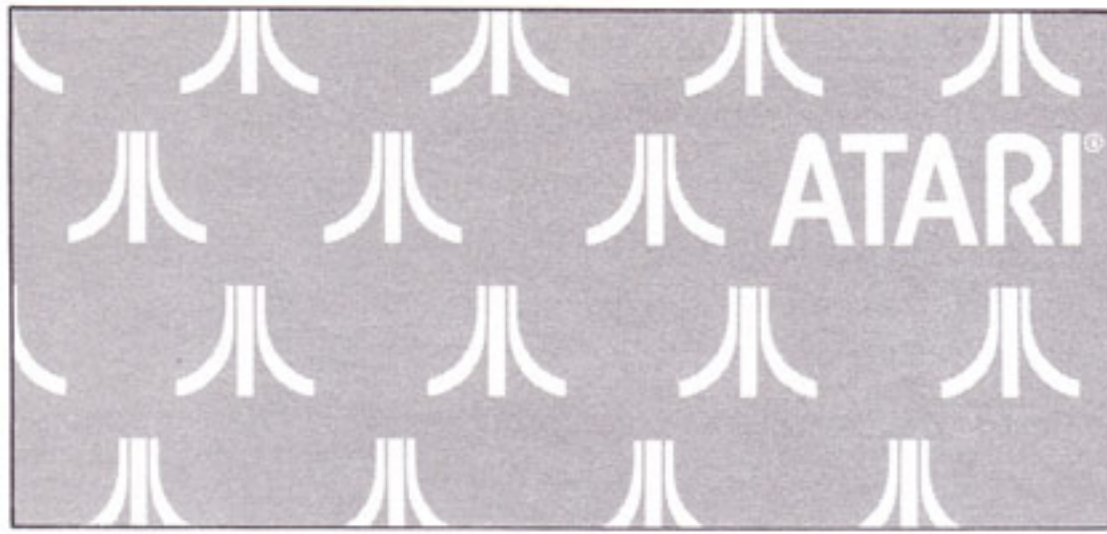
The Model 2600 Video Game System

The 2600 is the most popular video game system in the world. More than 25 million units have been sold since the game was introduced in 1984. The compact system sells for less than \$50 and comes with a joystick and carrying case.

Atari Video Game Hardware
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Atari Corp. is a leading international manufacturer, marketer and distributor of video game hardware, software, and peripherals. Atari's stock is listed on the American Stock Exchange and trades under the ticker symbol ATC. For more information, contact: Michael Katz, Atari Corp., 1196 Borregas Avenue, Sunnyvale, CA 94086. Telephone: (408) 745-4691.

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Press Release

BACKGROUND INFORMATION

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AXLON TO DEVELOP NEW VIDEO GAMES FOR ATARI; BUSHNELL RETURNS

SUNNYVALE, Calif., June 1, 1988 -- Atari Corp. announced today, on the eve of the summer Consumer Electronics Show, that Axlon chairman Nolan Bushnell has signed a video game development agreement with Atari.

The terms of the agreement stipulate that Axlon will design and develop on an exclusive basis an unspecified number of video games for Atari's 2600 and 7800 home video game systems.

(The 2600 is Atari oldest and best-known game system. More than 25 million systems have been sold to date. The 7800 system with its enhanced graphics capabilities was introduced in 1986 and has sold more than million units to date.)

Commenting on the new association, Michael Katz, president of Atari's rapidly growing Entertainment Electronics Division, said, "We're delighted with our new association with Nolan, and his game designers. If anyone can design and develop great state-of-the-art games for the 2600 and 7800, it's Nolan. His

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experience and expertise will be invaluable, and we're anxious for the first few games to hit the market late this year."

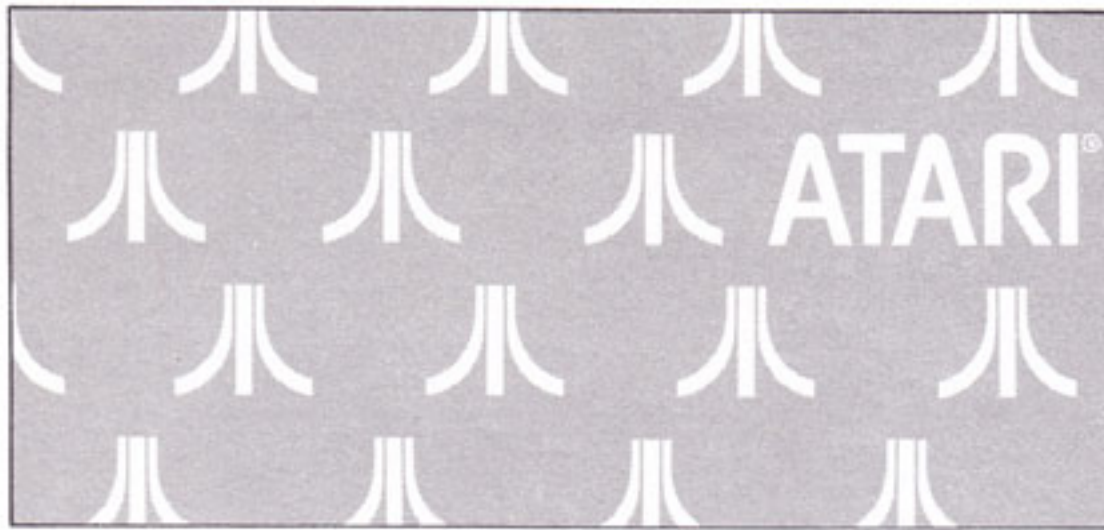
Bushnell, 45, founded Atari in 1972 shortly after introducing the video game, "Pong," which signalled the dawn of the video generation and helped propel Atari into what later became the fastest-growing company in U.S. history. He sold the company to Warner Communications in 1976 and in 1983 founded Axlon, which develops and manufactures coin-operated games and designs toys for licensing.

Commenting on his decision to renew his association with Atari, Bushnell said, "I'm very excited at the prospect of working again in the home video game industry, especially with my alma-mater, Atari. I hope my contributions will add to the strong rebound in the industry."

Atari's video game business is booming with U.S. sales doubling each of the last two years and with similar growth expected for 1988.

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FOR IMMEDIATE RELEASE

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CES Booth 9405

ATARI VIDEO GAME PRODUCTS RECOGNIZED FOR DESIGN EXCELLENCE AND INNOVATION AT CES; XE GAME SYSTEM ONLY VIDEO GAME HARDWARE UNIT HONORED

CHICAGO, June 4, 1988 -- Atari video game products star as big winners in the Electronics Industry of America's "Innovations '88" competition at the Summer Consumer Electronics Show.

Ten Atari video game products were honored today for design, quality, innovation and originality. They were chosen from over 600 entries by a panel of consumer electronics journalists selected by the EIA, sponsor of CES.

XE Chosen For Design and Engineering Exhibition

Atari's new XE video game system was the only video game hardware product to be honored in the Innovations '88 Design & Engineering Exhibition. The new game system was cited for excellence in design and engineering.

Also, nine Atari video game cartridges were recognized

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and honored for originality and innovation in programming. The game cartridges singled out are: "Into The Eagles Nest," "Mario Bros." and "Thunderfox" for the XE game system; "Hat Trick" and "Impossible Mission" for the 7800 game system; "Super Football" for the 2600 game system; and "Crack'd" and "Planetarium" for the Atari ST computer.

"We are proud of the recognition our new game cartridges received from the CES Innovations '88," said Michael Katz, president of the Atari Entertainment Electronics Division.

"This honor acknowledges the superior game playing standards that Atari is building into each and every video game release."

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