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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
ATARI, INC., <i>et al.</i> , ¹)	Case No. 13-10176 (JMP)
Debtors.)	(Jointly Administered)

NOTICE OF FILING OF AMENDED DIP BUDGET

PLEASE TAKE NOTICE that on January 22, 2013, the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) filed the (*Corrected*) *Motion of Debtors and Debtors-in-Possession Pursuant to 11 U.S.C. §§ 105, 361, 362, 364 and 507 and Fed. R. Bankr. P. 2002, 4001 and 9014 for Entry of Interim and Final Orders (I) Authorizing the Debtors to Incur Post-Petition Secured Indebtedness, (II) Granting First Priority Priming Liens and Providing Superpriority Administrative Expense Status, (III) Granting Adequate Protection, (IV)*

¹ The Debtors are Atari, Inc., Atari Interactive, Inc., Humongous, Inc., and California U.S. Holdings, Inc.

Modifying Automatic Stay, and (V) Scheduling a Final Hearing [ECF No. 17] (the “DIP Motion”).

PLEASE TAKE FURTHER NOTICE that on March 7, 2013, the Court entered the *Final Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 364 and 507 (I) Authorizing the Debtors to Incur Postpetition Secured Indebtedness, (II) Granting Liens and Providing Superpriority Administrative Expense Status, (III) Granting Adequate Protection and (IV) Modifying Automatic Stay* [ECF No. 125] (the “Final DIP Order”)² approving, among other things, the Approved Budget.

PLEASE TAKE FURTHER NOTICE that following the entry of the Final DIP Order, the Debtors have amended the Approved Budget (the “Amended DIP Budget”), as permitted by the DIP Credit Agreement and the Final DIP Order, to reflect updated information with respect to restructuring and administrative expenses. The Amended DIP Budget is attached hereto as Exhibit A.

New York, New York
Dated: May 6, 2013

AKIN GUMP STRAUSS HAUER & FELD LLP

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² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Final DIP Order.

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EXHIBIT A

Amended DIP Budget

Atari, Inc.
Rolling 13 Week Cash Flow Projections - April 20, 2013

(\$000s)	P R O J E C T E D, weeks ending													13-Weeks Ending 7/12
	Week 13 4/19	Week 14 4/26	Week 15 5/3	Week 16 5/10	Week 17 5/17	Week 18 5/24	Week 19 5/31	Week 20 6/7	Week 21 6/14	Week 22 6/21	Week 23 6/28	Week 24 7/5	Week 25 7/12	
I. Receipts	\$ 155	\$ 135	\$ 420	\$ 12	\$ 181	\$ 55	\$ 396	\$ 25	\$ 106	\$ 55	\$ 76	\$ 310	\$ 11	\$ 1,937
II. Permitted Disbursements														
1) Operating Disbursements														
Payroll and Benefits	35	17	230	99	245	17	245	94	245	22	245	94	-	1,588
Royalties	142	-	11	-	25	-	110	-	155	-	151	-	-	594
Publishing and Marketing	6	2	7	2	2	2	2	7	2	2	2	7	2	39
Other Operating Expenses	38	113	191	19	60	83	26	132	23	61	84	132	9	969
	221	131	438	119	332	102	383	232	424	85	482	232	10	3,190
2) Net Investment-New Games	-	-	(54)	-	(149)	(22)	-	(104)	-	(67)	(98)	(25)	(104)	(623)
Net Cash From Operations	(66)	4	(72)	(107)	(300)	(69)	14	(311)	(318)	(97)	(504)	53	(103)	(1,876)
3) Restructuring / Other														
Restructuring - General	435	42	1	910	(15)	(15)	(30)	1,270	275	-	903	-	40	3,816
Trustee Fees	11	-	-	-	-	-	-	-	-	-	-	-	-	11
Board Fees / Chariman Compensation **	-	-	-	-	-	-	-	-	-	-	-	-	25	25
	446	42	1	910	(15)	(15)	(30)	1,270	275	-	903	-	65	3,852
III. Net Change in Cash b/f DIP	(513)	(39)	(73)	(1,017)	(285)	(54)	44	(1,581)	(593)	(97)	(1,407)	53	(168)	(5,728)
IV. Cash Balance														
Beginning Cash Bal. (Book)	2,749	2,236	2,198	2,124	1,108	823	770	1,813	232	339	243	136	189	2,749
Net change in Cash b/f DIP	(513)	(39)	(73)	(1,017)	(285)	(54)	44	(1,581)	(593)	(97)	(1,407)	53	(168)	(5,728)
DIP Draw/(Paydown)	-	-	-	-	-	-	1,000	-	700	-	1,300	-	1,400	4,400
Ending Cash Bal. (Book)	2,236	2,198	2,124	1,108	823	770	1,813	232	339	243	136	189	1,421	1,421
Add: Estimated O/S Checks	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Ending Cash Bal. (Bank)	2,286	2,248	2,174	1,158	873	820	1,863	282	389	293	186	239	1,471	1,471
V. DIP Facility Balance														
Beginning DIP Facility Bal.	2,038	2,038	2,038	2,055	2,055	2,055	2,055	3,072	3,072	3,772	3,772	5,072	5,105	2,038
Interest Accrual	-	-	17	-	-	-	17	-	-	-	-	33	-	67
Draws / (Paydowns)	-	-	-	-	-	-	1,000	-	700	-	1,300	-	1,400	4,400
Ending DIP Facility Bal.	\$ 2,038	\$ 2,038	\$ 2,055	\$ 2,055	\$ 2,055	\$ 2,055	\$ 3,072	\$ 3,072	\$ 3,772	\$ 3,772	\$ 5,072	\$ 5,105	\$ 6,505	\$ 6,505

** In addition to Board Fees, the Chairman of the Board, Gene Davis, will receive monthly compensation of \$40k per month which will be accrued but will not be paid until the later of June 30, 2013 or the conclusion of the sale process.