

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Atari, Inc., et al.

Debtor [a]

Case No. 13-10176

Reporting Period: 06/01/13-06/30/13

Federal Tax I.D. # 13-3689915

CORPORATE MONTHLY OPERATING REPORT

File with the Court and submit a copy to the United States Trustee within 20 days after the end of the month and submit a copy of the report to any official committee appointed in the case.

(Reports for Rochester and Buffalo Divisions of Western District of New York are due 15 days after the end of the month, as are the reports for Southern District of New York.)

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	Yes	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CON'T)	Yes	
Copies of bank statements		[b]	
Cash disbursements journals	MOR-1 (CON'T)	Yes	
Statement of Operations	MOR-2	Yes	
Balance Sheet	MOR-3	Yes	
Status of Post-petition Taxes	MOR-4	Yes	
Copies of IRS Form 6123 or payment receipt		n/a	
Copies of tax returns filed during reporting period		n/a	
Summary of Unpaid Post-petition Debts	MOR-4	Yes	
Listing of Aged Accounts Payable	MOR-4 (CON'T)	Yes	
Accounts Receivable Reconciliation and Aging	MOR-5	Yes	
Taxes Reconciliation and Aging	MOR-5	n/a	
Payments to Insiders and Professional	MOR-6	Yes	
Post Petition Status of Secured Notes, Leases Payable	MOR-6	Yes	
Debtor Questionnaire	MOR-7	Yes	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Authorized Individual*

Date

7/15/2013

Printed Name of Authorized Individual: Robert Mattes

Date

7/15/2013

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

[a] Debtors include Atari, Inc. (13-10176), Atari Interactive, Inc. (13-10177), California U.S. Holdings, Inc. (10-10178), and Humongous, Inc. (13-10179). All results reported on a consolidated basis herein. Cash Disbursements by Debtor are detailed on MOR-1(A) for United States Trustee Fee calculation purposes.

[b] Available upon request

In re Atari, Inc., et al.
Debtor

Case No. 13-10176
Reporting Period: 06/01/13-06/30/13

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the bank account columns. Attach copies of the bank statements and cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on the page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

ACCOUNT NUMBER (LAST 4)	BANK ACCOUNTS								CURRENT MONTH ACTUAL (TOTAL OF ALL ACCOUNTS)
	Atari, Inc. Operating #4601	Atari Payroll #4903	Atari, Inc. PayPal #5664	Atari, Inc. Money Mkt #7788	Atari, Inc. Lockbox #9898	Atari, Inc. Payroll (CA) #1153	Atari Interactive, Inc. Operating #4657	Humbugus, Inc. Operating #5253	
CASH BEGINNING OF MONTH	\$ 29,477	\$ 12,390	\$ 200	\$ 1,682,698	\$ 554	\$ 3,733	\$ 3,645	\$ 4,252	\$ 1,736,949
RECEIPTS									
CASH SALES	-	-	-	-	-	-	-	-	-
ACCOUNTS RECEIVABLE - PREPETITION	-	-	-	-	-	-	-	-	-
ACCOUNTS RECEIVABLE - POSTPETITION	728,629	-	13,636	-	10,855	-	-	-	753,120
LOANS AND ADVANCES	1,500,000	-	-	-	-	-	-	-	1,500,000
SALE OF ASSETS	-	-	-	-	-	-	-	-	-
OTHER (ATTACH LIST)	704	-	-	8	-	-	-	-	712
TRANSFERS (FROM DIP ACCTS)	861,767	420,374	-	1,750,000	-	-	100,000	-	3,132,141
TOTAL RECEIPTS	3,091,100	420,374	13,636	1,750,008	10,855	-	100,000	-	5,385,973
DISBURSEMENTS									
NET PAYROLL	-	254,807	-	-	-	-	-	-	254,807
PAYROLL TAXES	-	165,567	-	-	-	-	-	-	165,567
SALES, USE, & OTHER TAXES	3,456	-	-	-	-	-	2,249	-	5,705
INVENTORY PURCHASES / PROD. DEVELOPMENT COSTS	166,402	-	-	-	-	-	-	-	166,402
SECURED/ RENTAL/ LEASES	41,838	-	-	-	-	-	-	-	41,838
INSURANCE (INCLUDING EE BENEFITS)	46,179	-	-	-	-	-	-	-	46,179
ADMINISTRATIVE	99,656	1,652	-	-	-	-	2,057	-	103,365
SELLING	9,384	-	-	-	-	-	41,587	-	50,971
OTHER (ATTACH LIST)	14,499	-	-	-	3,278	-	647	-	18,423
OWNER DRAW *	-	-	-	-	-	-	-	-	-
TRANSFERS (TO DIP ACCTS)	2,270,374	-	13,636	840,000	8,131	-	-	-	3,132,141
PROFESSIONAL FEES	456,918	-	-	-	-	-	46,672	1,519	505,110
U.S. TRUSTEE QUARTERLY FEES	-	-	-	-	-	-	-	-	-
COURT COSTS	-	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	3,108,706	422,026	13,636	840,000	11,409	-	93,212	1,519	4,490,508
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(17,606)	(1,652)	-	910,008	(554)	-	6,788	(1,519)	895,465
CASH - END OF MONTH	\$ 11,870	\$ 10,738	\$ 200	\$ 2,592,706	\$ (0)	\$ 3,733	\$ 10,433	\$ 2,733	\$ 2,632,414

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

OTHER RECEIPTS									
Purchase Employee	500	-	-	-	-	-	-	-	500
Interest Income	-	-	-	8	-	-	-	-	8
Tax Refund- Ohio	204	-	-	-	-	-	-	-	204
TOTAL OTHER RECEIPTS	704	-	-	8	-	-	-	-	712
OTHER DISBURSEMENTS									
401k	14,499	-	-	-	-	-	-	-	14,499
Bank Fee	-	-	-	-	3,278	-	647	-	3,925
TOTAL OTHER DISBURSEMENTS	14,499	-	-	-	3,278	-	647	-	18,423

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BANK RECONCILIATIONS
Continuation Sheet for MOR-1

A bank reconciliation must be included for each bank account. The debtor's bank reconciliation may be substituted for this page.
(Bank account numbers may be redacted to last four numbers.)

	Atari, Inc. Operating #4601	Atari Payroll #4903	Atari, Inc. PayPal #8664	Atari, Inc. Money Mkt #7788	Atari, Inc. Lockbox #9898	Atari, Inc. Payroll (CA) #1153	Atari Interactive, Inc. Operating #4657	Humongous, Inc. Operating #5253	Total
BALANCE PER BOOKS	\$ 11,870	\$ 10,738	\$ 200	\$ 2,592,706	\$ (0)	\$ 3,733	\$ 10,433	\$ 2,733	\$ 2,632,414
BANK BALANCE	70,078	13,986	200	2,592,706	-	3,733	14,474	4,252	2,699,430
(+) DEPOSITS IN TRANSIT (ATTACH LIST)	-	-	-	-	-	-	-	-	-
(-) OUTSTANDING CHECKS (ATTACH LIST):	58,208	3,247	-	-	-	-	4,041	1,519	67,016
OTHER (ATTACH EXPLANATION)	-	-	-	-	-	-	-	-	-
ADJUSTED BANK BALANCE *	\$ 11,870	\$ 10,738	\$ 200	\$ 2,592,706	\$ -	\$ 3,733	\$ 10,433	\$ 2,733	\$ 2,632,414

*"Adjusted Bank Balance" must equal "Balance per Books"

DEPOSITS IN TRANSIT	Date	Amount
None		
CHECKS OUTSTANDING	Ck. #	Amount
ZGAMES, LLC	531261	6
FLUIK ENTERTAINMENT	531271	268
HYATT LEGAL PLANS,	531272	117
INTERNATIONAL CREAT	531273	10,000
EMPLOYEE	531275	100
SUN LIFE ASSURANCE	531276	957
UNITED HEALTHCARE	532178	34,473
VISION SERVICE PLAN	531280	353
CINRAM GROUP, LLC	531285	689
DORSEY & WHITNEY LL	531286	588
HUDSON VALLEY COMPU	531287	2,900
LINER GRODE STEIN Y	531288	903
NEOPOST INC.	531289	177
OHM SYSTEMS, INC.	531290	4,320
OLSHAN FROME WOLOSK	531291	957
SYMANTEC CORP.	531292	327
UNITED PARCEL SERVI	531293	637
WEEKS-LERMAN GROUP	531294	168
WILLIAM B MEYER INC	531295	240
TOTAL - OPERATING		58,208
TOTAL - PAYROLL-CA		-
EMPLOYEE	7044	3,127
FSA CLAIM	100097	120
TOTAL - PAYROLL-NYC		3,247
VICTOR VARGAS-VALEN	207717	590
GEORGE WIDJOJO & PA	207721	2,035
DOMNERN SOMGIAT BOO	207730	708
RECALL TOTAL INFORM	207731	708
TOTAL - INTERACTIVE		4,041
HIKARI PATENT OFFIC	401004	1,519
TOTAL - HUMONGOUS		1,519

OTHER

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CASH DISBURSEMENTS JOURNAL
Continuation Sheet for MOR-1

A cash disbursements journal must be included. The total disbursements listed in the disbursements journal must equal the total disbursements (less transfers to other DIP accounts) reported on the Cash Receipts and Disbursements Schedule.

Payee	Check / Wire No.	Date	Amount
ADP (Payroll/Taxes/Fees)	EFT	Various	422,026
401K	EFT	Various	14,499
JP Morgan (Bank Fees)	EFT	Various	3,925
CENTURYLINK QCC	531235	06/06/13	2,278
CINRAM GROUP, LLC	531236	06/06/13	85
CT CORPORATION	531237	06/06/13	933
EMC CORPORATION	531239	06/06/13	8,184
EMPLOYEE	531241	06/06/13	90
HUDSON FIBER NETWORK	531242	06/06/13	2,247
OHM SYSTEMS, INC.	531243	06/06/13	4,800
EMPLOYEE	531244	06/06/13	364
UNITED PARCEL SERVI	531246	06/06/13	428
WILLIAM B MEYER INC	531247	06/06/13	3,550
PREMIUM ASSIGNMENT	80007931	06/03/13	3,072
475 BUILDING COMPAN	80007932	06/04/13	26,843
AMERICAN EXPRESS	80007933	06/04/13	12,833
RECALL TOTAL INFORM	207725	06/06/13	1,348
CHLIC	531249	06/13/13	1,241
CINRAM GROUP, LLC	531250	06/13/13	1,258
COGENT COMMUNICATIO	531251	06/13/13	900
FIBERMEDIA GROUP, L	531252	06/13/13	3,117
GOOGLE, INC.	531253	06/13/13	78
HUDSON VALLEY COMPU	531254	06/13/13	10,000
KONICA MINOLTA	531255	06/13/13	623
LAW OFFICE OF CHUN	531256	06/13/13	210
MCGRAW COMMUNICATIO	531257	06/13/13	1,205
NEW MOMENTUM, INC.	531259	06/13/13	7,417
VERIZON (MAIN)	531260	06/13/13	1,635
ZGAMES, LLC	531261	06/13/13	6
FRANCHISE TAX BOARD	531264	06/14/13	1,600
TENNESSEE DEPT OF R	531265	06/14/13	900
CODE MYSTICS INC.	80007934	06/11/13	2,407
RACKSPACE MANAGED H	80007935	06/11/13	34,618
ESCALATION STUDIOS	80007936	06/13/13	22,000
INTERACTIVE GAME GR	80007937	06/13/13	6,972
EMPLOYEE	80007938	06/13/13	480
INTELS GROUP S.A.	20001963	06/11/13	2,256
FRONTIER DEVELOPMEN	20001964	06/11/13	41,587
PATENTSERVIS PRAHA	20001965	06/11/13	435
SOROKER-AGMON	20001966	06/11/13	5,391
NEW YORK STATE	207728	06/14/13	874
NYC DEPARTMENT OF F	207729	06/14/13	1,375
BLUEHORNET NETWORKS	531267	06/20/13	5,495
CINRAM GROUP, LLC	531268	06/20/13	1,775
EDGECAST NETWORKS,	531269	06/20/13	4,214
EXTOL INTERNATIONAL	531270	06/20/13	1,730
FLUIK ENTERTAINMENT	531271	06/20/13	268
HYATT LEGAL PLANS,	531272	06/20/13	117
INTERNATIONAL CREAT	531273	06/20/13	10,000
EMPLOYEE	531275	06/20/13	100
SUN LIFE ASSURANCE	531276	06/20/13	987
UNITED CORPORATE SE	531277	06/20/13	1,110
UNITED HEALTHCARE	531278	06/20/13	34,473
UNITED PARCEL SERVI	531279	06/20/13	874
VISION SERVICE PLAN	531280	06/20/13	353
VITAL RECORDS INC	531281	06/20/13	1,195

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CASH DISBURSEMENTS JOURNAL
Continuation Sheet for MOR-1

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Payee	Check / Wire No.	Date	Amount
WEEKS-LERMAN GROUP	531282	06/20/13	292
WILLIAM B MEYER INC	531283	06/20/13	3,612
EMPLOYEE	80007939	06/18/13	5,936
UAB ON5	80007940	06/18/13	60,218
COMMONWEALTH OF MAS	80007941	06/18/13	456
BABEL MEDIA LTD	80007942	06/20/13	9,240
CRYPTIC STUDIOS, IN	80007943	06/20/13	3,263
GAME CENTER GROUP,	80007944	06/20/13	6,300
MILLER ADVERTISING	80007945	06/20/13	9,502
SONY DADC AUSTRIA A	80007946	06/20/13	15,352
CINRAM GROUP, LLC	531285	06/27/13	689
DORSEY & WHITNEY LL	531286	06/27/13	588
HUDSON VALLEY COMPU	531287	06/27/13	2,900
LINER GRODE STEIN Y	531288	06/27/13	903
NEOPOST INC.	531289	06/27/13	177
OHM SYSTEMS, INC.	531290	06/27/13	4,320
OLSHAN FROME WOLOS	531291	06/27/13	957
SYMANTEC CORP.	531292	06/27/13	327
UNITED PARCEL SERVI	531293	06/27/13	637
WEEKS-LERMAN GROUP	531294	06/27/13	168
WILLIAM B MEYER INC	531295	06/27/13	240
BRACEWELL & GIULIAN	80007947	06/26/13	14,132
EMPLOYEE	80007948	06/26/13	948
PERELLA WEINBERG PA	80007949	06/26/13	90,489
PROTIVITI INC	80007950	06/26/13	67,011
RACKSPACE MANAGED H	80007951	06/27/13	34,799
SONY DADC AUSTRIA A	80007952	06/27/13	1,022
AKIN GUMP STRAUSS H	80007953	06/28/13	166,171
COOLEY LLP	80007954	06/28/13	56,586
DUFF & PHELPS, LLC	80007955	06/28/13	41,535
HIKARI PATENT OFFIC	401004	06/27/13	1,519
DOMNERN SOMGIAT BOO	207730	06/27/13	708
RECALL TOTAL INFORM	207731	06/27/13	708
BAKER & MCKENZIE	20001967	06/27/13	20,533
MATSUBARA, MURAKI &	20001968	06/27/13	1,933
GUY JOSE BENDANA GU	20001969	06/27/13	4,924
PATENTSERVIS PRAHA	20001970	06/27/13	1,398
REMFREY & SAGAR	20001971	06/27/13	1,335
SBGK LAW OFFICE	20001972	06/27/13	7,760
Total Disbursements During Period			<u>\$ 1,358,367</u>

In re Atari, Inc., et al. Case No. MOR-1(A)
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SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)

Atari, Inc.	CURRENT MONTH	QUARTER TO DATE
TOTAL DISBURSEMENTS	\$ 4,395,778	\$ 15,069,658
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	3,132,141	10,218,019
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-	-
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	1,263,636	4,851,638

Atari Interactive, Inc.	CURRENT MONTH	QUARTER TO DATE
TOTAL DISBURSEMENTS	93,212	153,109
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	-	-
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-	-
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	93,212	153,109

California U.S. Holdings, Inc.	CURRENT MONTH	QUARTER TO DATE
TOTAL DISBURSEMENTS	-	-
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	-	-
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-	-
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	-	-

Humongous, Inc.	CURRENT MONTH	QUARTER TO DATE
TOTAL DISBURSEMENTS	1,519	2,268
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	-	-
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-	-
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	1,519	2,268

Atari, Inc., et al. (Consolidated)	CURRENT MONTH	QUARTER TO DATE
TOTAL DISBURSEMENTS	4,490,508	15,225,035
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	3,132,141	10,218,019
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	-	-
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	\$ 1,358,367	\$ 5,007,015

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STATEMENT OF OPERATIONS (Income Statement)
reported in thousands (000's)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

REVENUES	MONTH	CUMULATIVE -FILING TO DATE
Gross Revenues	\$ 1,455	\$ 8,734
Less: Returns and Allowances	5	183
Net Revenue	1,449	8,550
COST OF GOODS SOLD		
Beginning Inventory	n/a	n/a
Add: Purchases	n/a	n/a
Add: Cost of Labor	n/a	n/a
Add: Other Costs (attach schedule)	n/a	n/a
Less: Ending Inventory	n/a	n/a
Cost of Goods Sold	553	3,790
Gross Profit	896	4,760
OPERATING EXPENSES		
Advertising	5	53
Auto and Truck Expense	-	-
Bad Debts	0	172
Contributions	-	-
Employee Benefits Programs	7	36
Officer/Insider Compensation*	-	-
Insurance	33	180
Management Fees/Bonuses	-	-
Office Expense	7	24
Pension & Profit-Sharing Plans	-	-
Repairs and Maintenance	-	-
Rent and Lease Expense	33	262
Salaries/Commissions/Fees	276	2,689
Supplies	-	-
Taxes - Payroll [a]	-	-
Taxes - Real Estate	-	-
Taxes - Other	-	-
Travel and Entertainment	5	56
Utilities	49	305
Other (attach schedule)	150	909
Total Operating Expenses Before Depreciation	565	4,688
Depreciation/Depletion/Amortization	61	3,822
Net Profit (Loss) Before Other Income & Expenses	270	(3,750)
OTHER INCOME AND EXPENSES		
Other Income (attach schedule)	-	-
Interest Expense	22	93
Other Expense (attach schedule)	131	984
Net Profit (Loss) Before Reorganization Items	116	(4,827)

REORGANIZATION ITEMS		
Professional Fees	1,408	6,122
U. S. Trustee Quarterly Fees	-	10
Interest Earned on Accumulated Cash from Chapter 11 <i>(see continuation sheet)</i>	-	-
Gain (Loss) from Sale of Equipment	-	-
Other Reorganization Expenses <i>(attach schedule)</i>	-	-
Total Reorganization Expenses	1,408	6,133
Income Taxes	-	-
Net Profit (Loss)	\$ (1,292)	\$ (10,959)

[a] Payroll taxes are included in the Salaries line item.

*"Insider" is defined in 11 U.S.C. Section 101(31).

BREAKDOWN OF "OTHER" CATEGORIES

OTHER COSTS

None	\$ -	\$ -
TOTAL OTHER COSTS	\$ -	\$ -

OTHER OPERATIONAL EXPENSES

Research and Development	10	138
Bank Fees	5	12
Distribution Costs	2	31
Consulting	11	158
Legal Fees	110	483
Reversal of Income Tax Receivable	-	8
Accounting Fees	12	79
TOTAL OTHER OPERATIONAL EXPENSES	\$ 150	\$ 909

OTHER INCOME

	\$ -	\$ -
	-	-
TOTAL OTHER INCOME	\$ -	\$ -

OTHER EXPENSES

Foreign Exchange Conversion (Gain) / Loss	35	39
Amortization	97	945
TOTAL OTHER EXPENSES	\$ 131	\$ 984

OTHER REORGANIZATION EXPENSES

None	\$ -	\$ -
TOTAL OTHER REORGANIZATION EXPENSES	\$ -	\$ -

Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

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BALANCE SHEET
reported in thousands (000's)

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from post-petition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF PRIOR REPORTING MONTH	BOOK VALUE ON PETITION DATE OR SCHEDULED
CURRENT ASSETS			
Unrestricted Cash and Equivalents	\$ 2,632	\$ 1,737	\$ 751
Restricted Cash and Cash Equivalents (<i>see continuation sheet</i>)	-	-	-
Accounts Receivable (Net)	551	502	2,842
Notes Receivable	-	-	-
Inventories	18	134	542
Prepaid Expenses	28	33,403	56
Professional Retainers	-	-	-
Other Current Assets (<i>attach schedule</i>)[a]	359	359	489
TOTAL CURRENT ASSETS	3,489	2,765	4,680
PROPERTY & EQUIPMENT			
Real Property and Improvements	-	-	-
Machinery and Equipment	-	-	-
Furniture, Fixtures and Office Equipment	18,111	18,110.80	18,104.51
Leasehold Improvements	19	19	19
Vehicles	-	-	-
Less: Accumulated Depreciation	(17,925)	(17,911)	(17,851)
TOTAL PROPERTY & EQUIPMENT	205	219	272
OTHER ASSETS			
Amounts due from Insiders*	25,494	25,324	25,294
Other Assets (<i>attach schedule</i>)	3,527	3,566	6,976
TOTAL OTHER ASSETS	29,020	28,890	32,270
TOTAL ASSETS	32,714	31,874	37,222

LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)			
Accounts Payable [b]	1,926	1,662	113
Taxes Payable (<i>refer to FORM MOR-4</i>)	-	-	-
Wages Payable	42	33	58
Notes Payable	-	-	-
Rent / Leases - Building/Equipment	95	97	105
Secured Debt / Adequate Protection Payments	3,593	2,071	-
Professional Fees	1,969	1,556	-
Amounts Due to Insiders*	-	-	-
Other Post-petition Liabilities (<i>attach schedule</i>)	1,275	1,138	288
TOTAL POST-PETITION LIABILITIES	8,900	6,557	564
LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)			
Secured Debt	-	-	-
Priority Debt	191	229	525
Unsecured Debt	322,297	322,470	323,848
TOTAL PRE-PETITION LIABILITIES	322,488	322,699	324,373
TOTAL LIABILITIES	331,388	329,257	324,937
OWNERS' EQUITY			
Capital Stock	1,178,126	1,178,126	1,178,126
Additional Paid-In Capital	-	-	-
Partners' Capital Account	-	-	-
Owner's Equity Account	-	-	-
Retained Earnings - Pre-Petition [a]	(1,465,841)	(1,465,841)	(1,465,841)
Retained Earnings - Post-petition	(10,959)	(9,668)	-
Adjustments to Owner Equity (<i>attach schedule</i>)	-	-	-
Post-petition Contributions (<i>attach schedule</i>)	-	-	-
NET OWNERS' EQUITY	(298,674)	(297,383)	(287,715)

TOTAL LIABILITIES AND OWNERS' EQUITY	\$	32,714	\$	31,874	\$	37,222
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[a] Prior period adjustment made of \$1.95 million to reflect Debtor intangibles previously recorded as a top side entry at a parent company level.

[b] The difference between the A/P balance reported above and the amount on Schedule MOR-4 is \$319K which represents additional accruals.

*"Insider" is defined in 11 U.S.C. Section 101(31).

BALANCE SHEET - continuation section

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
Other Current Assets			
Security Deposits	259	259	282
Royalty Receivable	-	100	200
Tax Receivable	-	-	7
Other Assets			
Intangibles (Capitalized Development Costs / Trademarks) [a]	3,527	3,566	6,976
LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
Other Post-petition Liabilities			
Deferred Revenue (GAAP)	142	179	288
Royalty Payable	1,133	959	-
Adjustments to Owner's Equity			
Post-Petition Contributions			

Restricted Cash: Cash that is restricted for a specific use and not available to fund operations.
Typically, restricted cash is segregated into a separate account, such as an escrow account.

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STATUS OF POST-PETITION TAXES

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.
Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.
Attach photocopies of any tax returns filed during the reporting period.

Federal	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Date Paid	Check # or EFT	Ending Tax
Withholding	\$ -	\$ 78,221	\$ 78,221	Various	[a]	\$ -
FICA-Employee	-	26,601	26,601	Various	[a]	-
FICA-Employer	-	26,360	26,360	Various	[a]	-
Unemployment	-	-	-	Various	[a]	-
Income	-	-	-			-
Other: Franchise Tax	-	-	-	Various	[a]	-
Total Federal Taxes	-	131,182	131,182	Various	[a]	-
State and Local						
Withholding	-	33,104	33,104	Various	[a]	-
Sales	-	-	-			-
Excise	-	-	-			-
Unemployment	-	1,281	1,281	Various	[a]	-
Real Property	-	-	-			-
Personal Property	-	-	-			-
Other:	-	-	-			-
Total State and Local	-	34,386	34,386	Various	[a]	-
Total Taxes	\$ -	\$ 165,567	\$ 165,567	Various	[a]	\$ -

[a] Various

SUMMARY OF UNPAID POST-PETITION DEBTS

Attach aged listing of accounts payable. See MOR-4 (CONT)

	Number of Days Past Due					
	Current	0-30	31-60	61-90	Over 91	Total
Accounts Payable	\$ 809,951	\$ 83,986	\$ 181,185	\$ 331,562	\$ 20,000	\$ 1,426,683
Wages Payable	42,362	-	-	-	-	42,362
Taxes Payable	-	-	-	-	-	-
Rent/Leases-Building	95,438	-	-	-	-	95,438
Rent/Leases-Equipment	-	-	-	-	-	-
Secured Debt/Adequate Protection Payments	3,592,896	-	-	-	-	3,592,896
Professional Fees	1,968,724	-	-	-	-	1,968,724
Amounts Due to Insiders	-	-	-	-	-	-
Other: Royalties Payable	1,132,938	-	-	-	-	1,132,938
Other:	-	-	-	-	-	-
Total Post-petition Debts	\$ 7,642,308	\$ 83,986	\$ 181,185	\$ 331,562	\$ 20,000	\$ 8,259,040

Explain how and when the Debtor intends to pay any past due post-petition debts.

All past due amounts have been paid or adjusted as of the date of this report with the exception of professional fees related to bankruptcy [regular and 20% hold back].

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SUMMARY OF UNPAID POST-PETITION DEBTS

Continuation Sheet for MOR-4

Attach aged listing of accounts payable.

Vendor		Vendor No.	Invoice No.	Due Date	Category	Amount
AKIN GUMP STRAUSS H	[a]	18748	1471168	04/19/13	Restructuring (HOLD)	\$ 72,455
AKIN GUMP STRAUSS H	[a]	18748	1471168C	04/19/13	Restructuring (HOLD)	(1,180)
AKIN GUMP STRAUSS H	[a]	18748	1476940	05/22/13	Restructuring (HOLD)	92,575
AKIN GUMP STRAUSS H	[a]	18748	1481662	06/19/13	Restructuring (HOLD)	41,039
AKIN GUMP STRAUSS H		18748	1486853	07/21/13	Restructuring	455,855
BABEL MEDIA LTD		17135	90176	07/26/13	Other Product Development	1,032
BMC GROUP, INC.	[a]	18737	316130331	04/30/13	Restructuring (HOLD)	13,869
BMC GROUP, INC.	[a]	18737	316130430	06/14/13	Restructuring (HOLD)	975
BMC GROUP, INC.		18737	316130531	07/11/13	Restructuring	11,479
CINRAM GROUP, LLC		9181	7012229	08/02/13	Distribution & Freight	11,178
COOLEY LLP	[a]	18749	1276023	04/13/13	Restructuring (HOLD)	114,440
COOLEY LLP	[a]	18749	1283537	05/11/13	Restructuring (HOLD)	43,634
COOLEY LLP	[a]	18749	1291995	06/12/13	Restructuring (HOLD)	13,708
COOLEY LLP		18749	1300140	07/13/13	Restructuring	109,430
DUFF & PHELPS, LLC	[a]	652	033113	04/30/13	Restructuring (HOLD)	59,343
DUFF & PHELPS, LLC	[a]	652	DP043013	06/19/13	Restructuring (HOLD)	10,000
DUFF & PHELPS, LLC		652	DP053113	06/30/13	Restructuring	51,755
ESCALATION STUDIOS	[c]	18674	130	04/28/13	Product Development	10,000
FISH & RICHARDSON P		11711	062113SRW	07/21/13	Legal	3,958
HUDSON VALLEY COMPU	[b]	18598	022113C	02/21/14	MIS-IT	(7,000)
NEW MOMENTUM, INC.		18654	1393	07/27/13	Legal	7,417
PERELLA WEINBERG PA	[a]	18740	3680820201	03/16/13	Restructuring (HOLD)	20,000
PERELLA WEINBERG PA	[a]	18740	3680820202	04/03/13	Restructuring (HOLD)	20,000
PERELLA WEINBERG PA	[a]	18740	3680820203	05/01/13	Restructuring (HOLD)	20,000
PERELLA WEINBERG PA		18740	PWP053113	06/30/13	Restructuring	100,308
PREMIUM ASSIGNMENT		18673	060413	07/04/13	Insurance	3,072
PROTIVITI INC	[a]	18733	9114	04/18/13	Restructuring (HOLD)	42,635
PROTIVITI INC	[a]	18733	9171	05/19/13	Restructuring (HOLD)	24,976
PROTIVITI INC	[a]	18733	9197	06/12/13	Restructuring (HOLD)	16,440
PROTIVITI INC		18733	9251	06/30/13	Restructuring	56,845
SONY DADC AUSTRIA A		14891	2197356	07/26/13	Manufacturing (COGS)	2,499
TELEPACIFIC COMMUNI		17900	469721360	06/24/13	Utilities	499
WILLIAM GALLAGHER A		16743	182431	06/30/13	Insurance	(267)
ASTURGÓ, MATEU & ASSOCIATS		18761	2013803362	06/08/13	Legal	274
ASTURGÓ, MATEU & ASSOCIATS		18761	2013803370	06/12/13	Legal	1,051
INTELS GROUP S.A.		5855	RU39416	07/26/13	Legal	1,195
INTELS GROUP S.A.		5855	RU39417	07/26/13	Legal	1,195
Total Post-petition Accounts Payable (Trade)						<u>\$ 1,426,683</u>

[a] Represents the 20% holdback

[b] Represents a deposit made by Debtor, to be applied to the final invoice.

[c] invoice is to be adjusted

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ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	\$ 501,646
Plus: Amounts billed during the period	802,295
Less: Amounts collected during the period	753,120
Total Accounts Receivable at the end of the reporting period	\$ 550,821

Accounts Receivable Aging	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Retail A/R	\$ -	\$ -	\$ 467	\$ 956,289	\$ 956,756
Royalty A/R	850,108	16,530	-	322,620	1,189,258
Total Accounts Receivable	850,108	16,530	467	1,278,909	2,146,014
Less: Bad Debts (Amount considered uncollectible)					1,595,193
Net Accounts Receivable	\$ 850,108	\$ 16,530	\$ 467	\$ 1,278,909	\$ 550,821

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PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown on the Cash Receipts and Disbursements Report (MOR-1) list the amount paid to insiders (as defined in Section 101(31) (A)-(F) of the U.S. Bankruptcy Code) and to professionals. For payments to insiders, identify the type of compensation paid (e.g. Salary, Bonus, Commissions, Insurance, Housing Allowance, Travel, Car Allowance, Etc.). Attach additional sheets if necessary.

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown on the Cash Receipts and Disbursements Report (MOR-1) list the amount paid to insiders (as defined in Section 101(31) (A)-(F) of the U.S. Bankruptcy Code) and to professionals. For payments to insiders, identify the type of compensation paid (e.g. Salary, Bonus, Commissions, Insurance, Housing Allowance, Travel, Car Allowance, Etc.). Attach additional sheets if necessary.

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
Keller, Kristen J.	Payroll	\$ 24,277	\$ 133,525
Mattes, Robert	Payroll	19,167	105,417
Wilson, James W.	Payroll	38,833	213,583
Keller, Kristen J.	Travel & Exp	-	2,367
Wilson, James W.	Travel & Exp	1,428	3,292
TOTAL PAYMENTS TO INSIDERS		\$ 83,705	\$ 458,183

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
Akin Gump Strauss Hauer & Feld LLP	2/15/2013	\$ -	\$ 166,171	\$ 827,230	\$ 1,240,743
Perella Weinberg Partners LP	2/15/2013	-	\$ 90,489	252,066	260,308
Protiviti Inc.	2/15/2013	-	\$ 67,011	359,241	217,896
Hunton Williams LLP	3/21/2013	-	\$ -	218,857	-
Bracewell & Giuliani LLP	3/17/2013	-	\$ 14,132	316,617	58,375
BMC Group	2/15/2013	-	\$ -	54,776	41,323
Imperial Capital Loan Trading, LLC (Collateral Agent)			\$ -	5,000	-
Cooley LP [a]	2/15/2013	-	\$ 56,586	305,959	457,177
Duff & Phelps Securities LLC [a]	2/15/2013	-	\$ 41,535	66,038	174,195
TOTAL PAYMENTS TO PROFESSIONALS		\$ -	\$ 435,925	\$ 2,405,785	\$ 2,450,018

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

[a] Official Committee of Unsecured Creditors Professional

POST-PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
Alden Global Value Recovery Master Fund, LP	\$ -	\$ -	\$ 3,592,896
475 Building Company	26,843	26,843	-
GPPG, LLC [b]	-	-	-
Standard Parking Company	-	-	-
Westwood Terrace, LLC [a]	-	-	-
TOTAL PAYMENTS		\$ 26,843	\$ 3,592,896

[a] Lease expired on 04/13

[b] Atari terminated lease for San Francisco Office 05/13

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DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.		Yes	No
1	Have any assets been sold or transferred outside the normal course of business this reporting period?		✓
2	Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		✓
3	Is the Debtor delinquent in the timely filing of any post-petition tax returns?		✓
4	Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		✓
5	Is the Debtor delinquent in paying any insurance premium payment?		✓
6	Have any payments been made on pre-petition liabilities this reporting period?	✓	
7	Are any post petition receivables (accounts, notes or loans) due from related parties?		✓
8	Are any post petition payroll taxes past due?		✓
9	Are any post petition State or Federal income taxes past due?		✓
10	Are any post petition real estate taxes past due?		✓
11	Are any other post petition taxes past due?		✓
12	Have any pre-petition taxes been paid during this reporting period?		✓
13	Are any amounts owed to post petition creditors delinquent?	✓	
14	Are any wage payments past due?		✓
15	Have any post petition loans been received by the Debtor from any party?	✓	
16	Is the Debtor delinquent in paying any U.S. Trustee fees?		✓
17	Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?	✓	
18	Have the owners or shareholders received any compensation outside of the normal course of business?		✓

Explanations

(6) All payments made on account of pre-petition liabilities were for allowed items pursuant to a Court approved first day motion (i.e., employee expenses or employee benefits).

(13) Certain post petition amounts are past due because of untimely receipt of invoices and supporting documents. Amounts will be paid upon review and approval of such invoices.

(15) Debtor withdrew \$1.5 million from the DIP lender during the month of June.

(17) Certain post petition amounts related to fees and expenses of estates' professionals remain unpaid.