

INFOGRAMES ENTERTAINMENT ACQUIRES PARADIGM ENTERTAINMENT

Top Game Developer Will Strengthen Infogrames' Development Capabilities on the Nintendo® Dolphin and Other Next-Generation Consoles, Such As Sony's PlayStation2 and Microsoft's XBox.

San Jose, CA, June 29, 2000 - Infogrames Entertainment S.A. (Paris Bourse: SICOVAM 5257), a global publisher of interactive entertainment software, announced today that it has entered into agreements to acquire Paradigm Entertainment, Inc., one of the leading developers of interactive 3D video games and related technologies. Under the terms of the agreements, Paradigm Entertainment will be a wholly owned subsidiary of Infogrames, thereby enabling Infogrames to strengthen its lineup of "triple A" titles within its global market. The deal will involve the exchange of up to 700,000 Infogrames Entertainment shares.

"Infogrames' US strategy moving forward is to increase the percentage of titles developed internally, focus on high quality titles and lead next-generation console publishing," said Bruno Bonnell, chairman and chief executive officer of Infogrames Entertainment. "Paradigm's 80-plus person development team will propel us towards these goals with their proven track record of quality content and technological prowess."

"Infogrames is a recognized leader within the entertainment industry and Paradigm is honored to join such a world class organization," said David Gatchel, President and CEO of Paradigm Entertainment, Inc. "Through our relationship with Infogrames, Paradigm is positioned to focus its creative and technological expertise toward the continued development of quality interactive experiences."

Paradigm is one of the top developers for the Nintendo® 64 game console and is actively involved in game development for the next-generation consoles, including the PlayStation®2 computer entertainment system, Microsoft's XBox and the Nintendo Dolphin game console. These development efforts will benefit Infogrames' strategy of being an early publisher of next-generation game titles. Based near Dallas, Texas and founded in 1997, Paradigm has developed critically acclaimed titles, such as Pilot WingsTM 64, F-1 World Grand Prix, Beetle® Adventure Racing and Looney TunesTM: Duck DodgersTM, Starring Daffy DuckTM. In addition to developing games, Paradigm maintains a research and development group with the goal of keeping the company at the forefront of technology for current and next-generation game platforms. Technology is shared between projects for efficiency and focus on development of the actual games, not on technical challenges of rendering on a console.

ABOUT INFOGRAMES

Infogrames Entertainment, S.A. (Paris Bourse: SICOVAM 5257) is a worldwide leader in the interactive entertainment software industry. Headquartered in France, the company develops and publishes award-winning computer and video games for the PlayStation® game console, PlayStation® 2 computer entertainment system, Nintendo® 64, Nintendo® Game Boy® Color, Sega® Dreamcast™, Macintosh®, and personal computer platforms. Founded in 1983 by chairman and CEO Bruno Bonnell, Infogrames has published many award-winning franchises in its 17-year history, such as Alone In The Dark™, Test Drive®, Driver™, Deer Hunter™, Oddworld™, Unreal, Independence War[™], and V-Rally[™]. The company is also known for its best-selling and award-winning line of children's entertainment software from Humongous Entertainment starring Putt-Putt®, Freddi Fish™, Pajama Sam® and SPY Fox™, as well as its successful Macintosh publishing label, Macsoft, the number one publisher of Macintosh entertainment software. In addition, Infogrames has a number of key strategic licenses including Warner Bros. Looney Tunes™, Nickelodeon's Blue's Clues™, Le Mans 24 Hours®, AM General Hummer®, Harley-Davidson®, and Dodge® Viper. For more information, visit Infogrames' US Web site at www.us.infogrames.com

SAFE HARBOR STATEMENT

Certain statements contained in this release are forward-looking statements (rather than historical facts) that are subject to risks and uncertainties that could cause actual results to differ materially from those described. With respect to such forward-looking statements, the company seeks the protection afforded by the Private Securities Litigation Reform Act of 1995 and other enabling legislation. Statements contained herein with regard to the company's business outlook and prospective operating and financial results are based upon management's expectations regarding various factors, which may be beyond the company's control. This statement is not intended to identify each and every risk and uncertainty inherent in the company's business, and should be read in conjunction with the company's cautionary statements contained in its most recent filings with U.S. and foreign regulatory authorities.

Contact:

Tom Richardson Infogrames (408) 985-1700 x426 <u>trichardson@us.infogrames.com</u>

or

Brandon Borrman GCI Group (212) 537-8140 bborrman@gcigroup.com