



EA Acquires Phenomic Game Development; Acclaimed Creators of Real Time Strategy Franchises Become EA's Newest Studio in Europe

LEIPZIG, Germany & REDWOOD CITY, Calif.--(BUSINESS WIRE)--Aug. 23, 2006--Electronic Arts Inc. (NASDAQ:ERTS) today announced the acquisition of Phenomic Game Development, makers of acclaimed strategy game franchises The Settlers and SpellForce. EA Phenomic, based in Ingelheim, Germany, now becomes EA's newest studio in Europe, with a creative team dedicated to developing Real Time Strategy (RTS) games for the PC, console and online.

"The team at Phenomic is an outstanding group of developers," said Paul Lee, President of EA's Worldwide Studios. "Their track record for building quality RTS games and creating original IP is impressive, and we share a strong common vision for the future of the strategy gaming market. We're looking forward to working with them on a new project that will be announced at a later date, and are delighted to welcome them to the EA family."

"Joining forces with EA is a great step forward for us," said Boris Kunkel, Managing Director of Phenomic. "We've always been passionate about creating games with a focus on quality, innovation and fun, and EA has the same philosophy for game making. Being part of EA will help us turn our vision for future games into reality."

Gerhard Florin, Executive Vice President and General Manager for EA International Publishing, said, "Our goal is to provide consumers around the world with a rich portfolio of games from the industry's most creative people. EA's publishing strength will give this talented group of German developers a greater opportunity to reach a global audience."

Phenomic's long standing management team will continue in their current roles, including Boris Kunkel, Dirk Ringe and Volker Wertich, creator of the Settlers series and Creative Director of the studio. The studio will remain in its current location in Ingelheim and work within the management structure of EA's studios in Europe.

Financial terms of the acquisition were not disclosed. EA does not expect the acquisition to impact the company's second fiscal quarter or fiscal year 2007 financial guidance.

About Electronic Arts

Electronic Arts Inc. (EA), headquartered in Redwood City, California, is the world's leading interactive entertainment software company. Founded in 1982, the company develops, publishes, and distributes interactive software worldwide for videogame systems, personal computers and the Internet. Electronic Arts markets its products under four brand names: EA SPORTS™, EA™, EA SPORTS BIG™ and POGO™. In fiscal 2006, EA posted revenue of \$2.95 billion and had 27 titles that sold more than one million copies. EA's homepage and online game site is www.ea.com. More information about EA's products and full text of press releases can be found on the Internet at <http://info.ea.com>.

About Phenomic Game Development

Phenomic Game Development, based in Ingelheim near Frankfurt, Germany, is one of the leading European developers of entertainment software, specializing in the creation of Real Time Strategy (RTS) games. The studio's product portfolio includes, "The Settlers", "The Settlers 3" and "SpellForce -- The Order of Dawn" and its expansion add-ons. Phenomic's newest game, "SpellForce 2 -- Shadow Wars" launched in April 2006 across Europe and the US.

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CONTACT: EA Communications
Trudy Muller, 650-628-7323
tmuller@ea.com
Tiffany Steckler, +41 22 316 1322
tsteckler@europe.ea.com
Tricia Gugler, 650-628-7327 (Investor Relations)

tgugler@ea.com

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