

Elevation Partners Executes Sale of BioWare Corp. and Pandemic Studios to Electronic Arts

MENLO PARK, Calif. -- October 11, 2007 -- Elevation Partners today announced it has entered into a definitive agreement with Electronic Arts (NASDAQ:ERTS) under which Electronic Arts will acquire Elevation's portfolio company VG Holding Corp., which is comprised of BioWare Corp. and Pandemic Studios. Under the terms of the agreement, EA will pay up to \$620 million in cash to the stockholders of VG Holding Corp. and will issue up to \$155 million in equity to certain employees of VG Holding Corp., which will be subject to time-based or performance-based vesting criteria. EA will also assume outstanding VG Holding Corp. stock options. In addition, EA has agreed to lend VG Holding Corp. up to \$35 million through the closing of the acquisition.

Elevation Partners acquired both BioWare Corp. and Pandemic Studios in 2005 and combined them to create BioWare/Pandemic Studios, one of the world's largest independent game developers. BioWare Corp. is an industry powerhouse known for its role-playing games rich in story and character and Pandemic Studios is a leading force in the action/adventure category. Combined, the companies employ approximately 800 employees in four studios located in Los Angeles, Austin, Edmonton, Canada and Brisbane, Australia.

"We are proud to have partnered with the management teams of BioWare/Pandemic Studios and collectively created significant shareholder value during our ownership period," said Bret Pearlman, co-founder and managing director of Elevation Partners and chairman of VG Holding Corp. "The Pandemic and BioWare teams have set a new standard for creativity that will be a great fit for EA."

The transaction, which is expected to close by January 2008, is subject to customary regulatory approvals. Lehman Brothers acted as financial advisor to Elevation Partners and Simpson Thacher & Bartlett served as legal counsel.

About Elevation Partners:

Elevation Partners is a \$1.9 billion private equity firm that makes investments in market-leading media, entertainment, and consumer-related businesses. It focuses on investing in intellectual property and content oriented businesses, as well as traditional media and entertainment companies, where it can partner with management to enhance growth and profitability through a combination of strategic capital and operational insight. Elevation's five partners are Fred Anderson, former EVP and CFO of Apple Computer; Bret Pearlman, former senior managing director of The Blackstone Group; Marc Bodnick, a founding principal of Silver Lake Partners; Roger McNamee, co-founder of Silver Lake Partners and Integral Capital Partners; and Bono, lead singer and co-founder of the rock band U2. For more information, visit <http://www.elevation.com>.

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