

TROUBLED COMPANY REPORTER

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MIDWAY GAMES: Court Confirms Plan of Liquidation

Lee E. Buchwald, president of Buchwald Capital Advisors LLC, said that Judge Kevin Gross, in Wilmington, Delaware, confirmed the Joint Chapter 11 Plan of Liquidation for Midway Games Inc. at a hearing held on May 21.

Pursuant to the Plan, the Midway Liquidating Trust is being established to complete the liquidation and distribute proceeds to creditors. Buchwald Capital Advisors LLC is the Liquidating Trustee for the Trust.

According to the Disclosure Statement, unsecured creditors of the parent stand to recover 16.5%. Unsecured creditors of subsidiaries should see 25%. Midway sold assets to generate \$43 million cash, leaving no substantial secured claims unpaid.

A copy of the Plan of Liquidation is available for free at:

http://bankrupt.com/misc/Midway_POR_Entered_052110.pdf

A copy of the Disclosure Statement is available for free at:

http://bankrupt.com/misc/Midway_DS_032610.pdf

A copy of the Confirmation Order is available for free at:

http://bankrupt.com/misc/Midway_ConfirmationOrder.pdf

About Midway Games

Headquartered in Chicago, Illinois, Midway Games Inc. (OTC Pink Sheets: MWYGQ) -- <http://www.midway.com/> -- was a leading developer and publisher of interactive entertainment software for major videogame systems and personal computers.

The Company and nine of its affiliates filed for Chapter 11 protection on February 12, 2009 (Bankr. D. Del. Lead Case No. 09-10465). Michael D. DeBaecke, Esq., Jason W. Staib, Esq, and Headquartered in Chicago, Illinois, Midway Games Inc. (OTC Pink Sheets: MWYGQ) -- <http://www.midway.com/> -- was a leading developer and publisher of interactive entertainment software for major videogame systems and personal computers.

The Company and nine of its affiliates filed for Chapter 11 protection on February 12, 2009 (Bankr. D. Del. Lead Case No. 09-10465). Michael D. DeBaecke, Esq., Jason W. Staib, Esq, and Victoria A. Guilfoyle, Esq., at Blank Rome LLP, in Wilmington, Delaware; and Marc E. Richards, Esq., and Pamela E. Flaherty, Esq., at Blank Rome LLP, in New York, represent the Debtors in their restructuring efforts. Attorneys at Milbank, Tweed, Hadley & McCloy LLP and Richards, Layton & Finger, P.A. represent the official committee of unsecured creditors as counsel. Epiq Bankruptcy Solutions, LLC, is the Debtors' claims, noticing, and balloting agent.

On July 10, 2009, Midway and certain of its U.S. subsidiaries completed the sale of substantially all of their assets to Warner Bros. Entertainment Inc. in a sale approved by the Court. The aggregate gross purchase price was roughly \$49 million, including the assumption of certain liabilities. Midway is disposing of its remaining assets.

At June 30, 2009, the Debtors reported \$1.39 billion in assets and \$1.59 billion in liabilities. The Debtors' project that unsecured creditors will recover between 16.5% and 25% on account of their prepetition claims under the Company's Chapter 11 plan of liquidation.