

**For Distribution 3:00 a.m. PDT
Wednesday, October 12, 2011**

Microsoft Studios Acquires Indie Game Developer Twisted Pixel

Acclaimed studio behind Xbox LIVE Arcade's "Splosion Man" and Kinect for Xbox 360's "The Gunstringer" to incubate new game and entertainment experiences for Microsoft Studios.

As a step in continuing to deliver Microsoft Studios' innovative game and entertainment offerings, Microsoft has announced the acquisition of Austin, Texas-based game developer Twisted Pixel, the creative minds behind Xbox LIVE Arcade titles such as "Splosion Man" and the recent Kinect for Xbox 360 title, "The Gunstringer."

From its beginnings in 2006 as independent studio developing award-winning Xbox LIVE Arcade titles, Twisted Pixel will now bring its talented team of developers to Microsoft Studios to help incubate and develop the future of game and entertainment offerings on Microsoft's Xbox 360 platform.

"Twisted Pixel has an incredible track record of innovative, critically acclaimed, and most importantly, fun, games," said Phil Spencer, corporate vice president, Microsoft Studios. "Microsoft Studios is home to cutting-edge entertainment experiences, and the incredible creativity of the Twisted Pixel team will help drive further innovation around Kinect and Xbox LIVE."

"It is really exciting for us to solidify our long-standing relationship with Microsoft Studios, who we consider to be the leader in digital distribution and creating new innovations in gaming like Xbox LIVE and Kinect," said Michael Wilford, co-founder and chief executive officer of Twisted Pixel. "As part of the family of Microsoft Studios we look forward to bringing even bigger and richer experiences to Xbox and Twisted Pixel fans around the world."

With today's announcement, Twisted Pixel becomes the latest member of Microsoft Studios, joining such prestigious and globally-recognized game creators as Lionhead Studios and Rare Ltd., on a team whose charter is to create exclusive experiences that differentiate Microsoft's platforms.

About Microsoft

Founded in 1975, Microsoft (Nasdaq "MSFT") is the worldwide leader in software, services and solutions that help people and businesses realize their full potential.

###