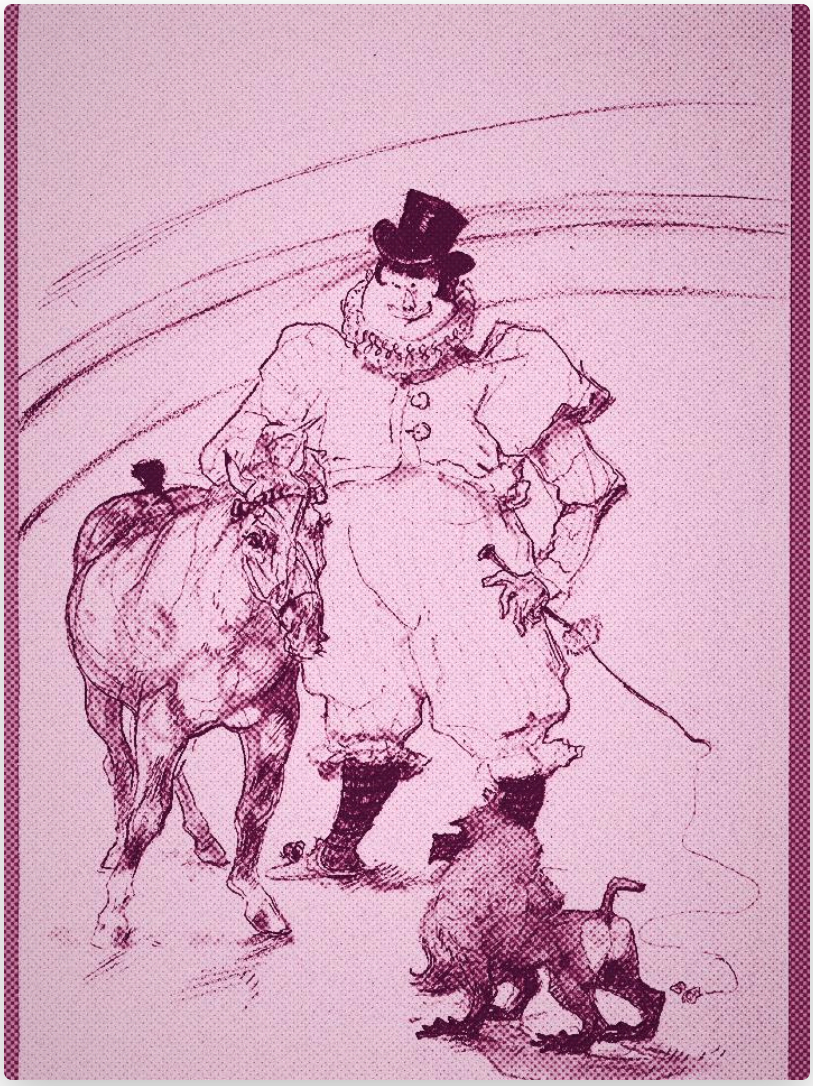
FORM S-1 · REGISTRATION STATEMENT

Uproar Inc

IPO priced 2000-03-17 · $33.88 a share · UPRO



From S1 Directory · www.s1directory.com/s1/uproar-inc/ · Source: https://www.sec.gov/Archives/edgar/data/1101179/000095011699002306/0000950116-99-002306.txt

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON DECEMBER 21, 1999 REGISTRATION NO. 333-_____ SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 FORM S-1 REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933 UPROAR INC. (EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Delaware	7375	13-3919458
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

240 WEST 35TH STREET 9TH FLOOR NEW YORK, NEW YORK 10001 (212) 714-9500 (ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES) KENNETH D. CRON CHAIRMAN AND CHIEF EXECUTIVE OFFICER UPROAR INC. 240 WEST 35TH STREET 9TH FLOOR NEW YORK, NEW YORK 10001 (212) 714-9500 (NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF AGENT FOR SERVICE)

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APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: AS SOON AS PRACTICABLE AFTER THE EFFECTIVE DATE OF THIS REGISTRATION STATEMENT. IF ANY OF THE SECURITIES BEING REGISTERED ON THIS FORM ARE TO BE OFFERED ON A DELAYED OR CONTINUOUS BASIS PURSUANT TO RULE 415 UNDER THE SECURITIES ACT OF 1933, CHECK THE FOLLOWING BOX. / / IF THIS FORM IS FILED TO REGISTER ADDITIONAL SECURITIES FOR AN OFFERING PURSUANT TO RULE 462(B) UNDER THE SECURITIES ACT, CHECK THE FOLLOWING BOX AND LIST THE SECURITIES ACT REGISTRATION STATEMENT NUMBER OF THE EARLIER EFFECTIVE REGISTRATION STATEMENT FOR THE SAME OFFERING. / / IF THIS FORM IS A POST-EFFECTIVE AMENDMENT FILED PURSUANT TO RULE 462(C) UNDER THE SECURITIES ACT, CHECK THE FOLLOWING BOX AND LIST THE SECURITIES ACT REGISTRATION STATEMENT NUMBER OF THE EARLIER EFFECTIVE REGISTRATION STATEMENT FOR THE SAME OFFERING. / / IF THIS FORM IS A POST-EFFECTIVE AMENDMENT FILED PURSUANT TO RULE 462(D) UNDER THE SECURITIES ACT, CHECK THE FOLLOWING BOX AND LIST THE SECURITIES ACT REGISTRATION STATEMENT NUMBER OF THE EARLIER EFFECTIVE REGISTRATION STATEMENT FOR THE SAME OFFERING. / / IF DELIVERY OF THE PROSPECTUS IS EXPECTED TO BE MADE PURSUANT TO RULE 434, CHECK THE FOLLOWING BOX. / /

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Proposed maximum aggregate offering price	Amount of registration fee(1)
COMMON STOCK, PAR VALUE $0.01 PER SHARE ..	$100,000,000	$26,400

(1) ESTIMATED SOLELY FOR THE PURPOSE OF COMPUTING THE REGISTRATION FEE PURSUANT TO RULE 457(O) UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION

8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IS NOT AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED DECEMBER 21, 1999

P R O S P E C T U S

[LOGO] SHARES

Uproar Inc.
Common Stock

We are selling shares of our common stock. The underwriters named in this prospectus may purchase up to additional shares of our common stock to cover over-allotments.

THIS IS AN INITIAL PUBLIC OFFERING OF OUR COMMON STOCK IN THE UNITED STATES. OUR COMMON STOCK IS ADMITTED FOR TRADING WITH THE EUROPEAN ASSOCIATION OF SECURITIES DEALERS' AUTOMATED QUOTATION SYSTEM, OR EASDAQ, UNDER THE SYMBOL "UPRO". ON DECEMBER 20, 1999, THE LAST REPORTED SALE PRICE OF THE COMMON STOCK ON EASDAQ WAS [EURO] 35.50, OR $35.75, PER SHARE. WE WILL APPLY TO HAVE THE COMMON STOCK INCLUDED FOR QUOTATION ON THE NASDAQ NATIONAL MARKET UNDER THE SYMBOL "UPRO".

INVESTING IN THE COMMON STOCK INVOLVES CERTAIN RISKS. SEE "RISK FACTORS" BEGINNING ON PAGE 8.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	Per Share	Total
Initial public offering price	$	$
Underwriting discounts	$	$
Proceeds, before expenses, to Uproar	$	$

THE UNDERWRITERS ARE OFFERING THE SHARES SUBJECT TO VARIOUS CONDITIONS. THE UNDERWRITERS EXPECT TO DELIVER THE SHARES TO PURCHASERS ON OR ABOUT , 2000.

SALOMON SMITH BARNEY BEAR, STEARNS & CO. INC. BANC OF AMERICA SECURITIES LLC WIT CAPITAL CORPORATION , 2000.

[DESCRIPTION OF GRAPHICS ON INSIDE FRONT, GATEFOLD AND BACK COVER PAGES OF PROSPECTUS]
YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS PROSPECTUS. UPROAR HAS NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH DIFFERENT INFORMATION. UPROAR IS NOT MAKING AN OFFER OF THESE SECURITIES IN ANY STATE WHERE THE OFFER IS NOT PERMITTED. YOU SHOULD NOT ASSUME THAT THE INFORMATION PROVIDED BY THIS PROSPECTUS IS ACCURATE AS OF ANY DATE OTHER THAN THE DATE ON THE FRONT OF THIS PROSPECTUS.

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Until , 2000 (25 days after the date of this prospectus), all dealers that buy, sell or trade the common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Our common stock is currently quoted on EASDAQ in euros. Conversions into United States dollars are calculated using the noon buying rate for cable transfers in foreign currencies as certified by the Federal Reserve Bank of New York on the date the relevant price was quoted. The noon buying rate for December 20, 1999 was [euro] 0.993 per United States $1.00.

Prospectus Summary

Because this is only a summary, it does not contain all of the information that may be important to you. You should read the entire prospectus, including the "Risk Factors" section and the consolidated financial statements and the notes thereto, before deciding to invest in our common stock.

Our Company

We are a leading online entertainment destination. Through our network of Web sites, we provide online game shows and interactive single- and multi-player games that appeal to a broad audience. Our registered users have grown from 96,000 in January 1998 to 4.7 million in November 1999. Our unique user audience has similarly grown from 1.3 million in November 1998 to 3.5 million in November 1999. Our sites are very sticky, which means that our users consistently spend significantly more time per visit on our sites than the industry average. According to Media Metrix, a leading Internet audience measurement service, in October 1999, our users in the United States spent an average of 15.6 minutes per usage day on our sites and we were ranked as the fifth stickiest network of Web sites on the Internet. In addition, we were ranked by Media Metrix among the five stickiest networks in each month during 1999.

We derive substantially all of our revenues from the sale of advertisements on our network of Web sites. We believe that our large user base and the stickiness of our sites provide advertisers with an attractive platform to reach their target audiences. As a result, the number of advertisers and sponsors

on our network has grown from 99 as of December 1998 to 176 as of September 30, 1999. Similarly, the number of advertising impressions served over our Web sites increased from 70.7 million in December 1998 to 261 million in October 1999. Because we attract a large, diversified user base and can segment it based upon information we collect, such as geography, age and gender, we believe we will be able to target advertisements to particular demographic profiles specified by our advertisers.

We believe that our technology platform is integral to maintaining the entertaining and engaging nature of our content. We have made significant investments in developing and implementing a technology platform to support our interactive multi-user game shows and games. We believe that our Web sites are among a few in the world that enable large numbers of users to simultaneously play interactive multi-player game shows and games. Moreover, we have designed our technology platform to easily accommodate our growing user base and to take advantage of emerging technology trends such as alternative access devices, interactive television platforms and broadband distribution services.

Our Market Opportunity As a result of the growing popularity of the Internet, an increasing number of users are looking beyond traditional media, such as radio and television, to the Internet as a source of entertainment. Game shows are among the most popular and long-lived programs on television in both the United States and worldwide. They were among the first entertainment formats to be successfully adapted to television from radio. Moreover, new game shows are frequently developed and introduced in order to capitalize on the popularity of the format and to draw larger audiences to television.

Games and game shows are particularly well suited for online entertainment content, especially with the development of higher bandwidth distribution channels, and can be easily adapted to the Internet. We believe that online games and game shows are a compelling entertainment medium for a mass user audience because they:

o provide users with an opportunity to win prizes;

o allow users to access entertaining content according to their own schedule from any location; and o enable users to participate interactively in the games and game shows and to compete against other users.

Despite the opportunity presented by the widespread adoption of the Internet as a medium for delivering entertainment content to a growing user base, only a limited number of Web sites are currently dedicated to providing a broad array of fun and challenging interactive entertainment. We believe that we can grow our revenues by leveraging our large audience and our engaging content through targeting our advertising placement to specific demographics within our audience in order to attract more advertisers to our network.

Our Strategy

Our objective is to be the leading online entertainment destination. We believe we can achieve this objective through the following strategies:

o enhancing our content;

o aggressively expanding our audience;

o further monetizing our audience and building additional revenue streams;

o capitalizing on the popularity of our PrizePoint rewards program;

o continuing to expand internationally; and o pursuing strategic acquisitions and alliances.

The Offering

Common stock offered... shares Common stock outstanding after this offering..... shares Use of proceeds..... We intend to use the proceeds of this offering to fund our marketing activities, expand our sales force, enhance our products and services, expand our business internationally, enter into distribution and affiliate arrangements with other Web sites, potentially make strategic investments and acquisitions, and for general corporate purposes.

Proposed Nasdaq National Market Symbol..... "UPRO" EASDAQ Symbol..... "UPRO" This information is based on our shares of common stock outstanding as of September 30, 1999. This information:

o excludes 2,468,632 shares subject to options outstanding as of September 30, 1999 with a weighted average exercise price of $15.64; and o assumes no exercise of the underwriters' over-allotment option.

As used in this prospectus, UPROAR and the UPROAR logo are service marks, the registration of which has been applied for and is pending in the United States and in other markets in which we register our marks. The UPROAR service mark is registered in Germany and the United Kingdom. We have also applied for the registration of numerous other trademarks in the United States and those applications are pending. Those marks include BINGO BLITZ, BLOWOUT BINGO, GAMESCENE, LET THERE BE FUN, MENTAL STATE, PRIZEPOINT, PRIZEPOINTS and TRIVIA BLITZ. All other trademarks and service marks used in this prospectus are the property of their respective owners.

Uproar Inc. was incorporated in Delaware on December 16, 1999 and is the successor to Uproar Ltd., a Bermuda limited liability company that was formed on July 7, 1997. Our principal executive offices are located at 240 West 35th Street, 9th Floor, New York, New York 10001. Our telephone number at that location is (212) 714-9500. Information contained on our Web sites does not constitute part of this prospectus. References in this prospectus to "Uproar," "we," "our," and "us" refer to Uproar Inc., its predecessor Uproar Ltd., and its subsidiaries.

Summary Consolidated Financial and Operating Data The following table sets forth summary consolidated financial and operating data for our business. You should read this information together with the consolidated financial statements and the notes to those statements appearing elsewhere in this prospectus.

	Period ended	Year Ended December 31,		
	December 31,			
	1995	1996	1997	1998
Statement of Operations Data:				
Revenues	$ 43,365	$ 59,698	$ 348,709	$ 1,632,969

Cost of revenues	--	(40,781)	(216,586)	(760,376)
Gross profit	43,365	18,917	132,123	872,593
Operating expenses:				
Sales and marketing	--	166,806	1,087,058	3,770,866
Product development	33,190	389,346	772,744	849,486
General and administrative	70,182	187,362	2,092,394	2,337,023
Amortization of intangible assets	--	--	--	--
Loss from operations	(60,007)	(724,597)	(3,820,073)	(6,084,782)
Foreign exchange gain (loss)	(2,233)	49,946	(85,439)	57,401
Interest income (expense), net	4,326	(27,829)	82,349	205,751
Provision for income taxes	--	(4,909)	(5,582)	(9,020)
Net loss	$ (57,914)	$ (707,389)	$ (3,828,745)	$ (5,830,650)
Basic and diluted net loss per share	$ (0.10)	$ (0.33)	$ (0.85)	$ (0.79)
Weighted average number of shares outstanding	569,178	2,129,042	4,517,464	7,348,556

Nine Months Ended September 30, 1998 1999 (unaudited)

Statement of Operations Data:		
Revenues	$ 911,253	$ 5,274,896
Cost of revenues	(525,230)	(1,690,692)
Gross profit	386,023	3,584,204
Operating expenses:		
Sales and marketing	1,860,913	13,531,320
Product development	529,985	1,676,920
General and administrative	1,195,503	5,105,128
Amortization of intangible assets	--	4,553,728
Loss from operations	(3,200,378)	(21,282,892)
Foreign exchange gain (loss)	36,400	(136,374)
Interest income (expense), net	106,164	177,131
Provision for income taxes	(4,000)	(44,324)
Net loss	$ (3,061,814)	$ (21,286,459)
Basic and diluted net loss per share	$ (0.45)	$ (2.00)
Weighted average number of shares outstanding	6,781,044	10,649,857

The following table is a summary of our balance sheet at September 30, 1999. The as adjusted data reflect the sale of shares of common stock offered hereby at an assumed initial public offering price in the United States of $ per share after deducting the estimated underwriting discount and estimated offering expenses payable by us.

September 30, 1999 Actual As Adjusted (in thousands)

Balance Sheet Data:		
Cash and cash equivalents	$22,554	$
Working capital	32,370	
Total assets	55,849	
Total indebtedness, including current maturities	174	
Total stockholders' equity	52,061	

Risk Factors

You should consider carefully the risks described below before making an investment decision. Any of the following risks could adversely affect our business and financial results. In that case, the trading price of our common stock could decline and you could lose all or part of your investment.

Financial Risks

We have a history of losses since our inception, we expect future losses and we cannot assure you that we will ever be profitable in the future.

If our revenues do not increase substantially, we may never become profitable. We have not generated enough revenues to exceed the substantial amounts we have spent to create, launch and enhance our Web sites and to develop our business generally. Even if we do achieve profitability, we may not sustain profitability on a quarterly or annual basis in the future. At September 30, 1999, our accumulated deficit was approximately $31.7 million. It is our intention to invest the proceeds of this offering and cash generated from operations to build our business and increase our market share. Despite this investment, our market share may grow more slowly than we anticipate or may even decrease in the future. In addition, our expenses may increase faster than we expect. As a result, we expect to continue to generate substantial losses for the foreseeable future, and the rate at which we incur these losses may increase from current levels.

Because we have only been in business for a short period of time, there is limited information upon which you can evaluate our business.

Uproar was founded in February 1995 and uproar.com was launched in September 1997. Accordingly, you can only evaluate our business based on our limited operating history. As a young company, we face risks and uncertainties relating to our ability to successfully implement our business plan. These risks include our ability to:

o increase awareness of the Uproar brand and continue to build user loyalty;

o expand our content and services;

o attract a larger audience to our Web sites;

o attract a large number of advertisers from a variety of industries;

o maintain our current, and develop new, strategic relationships;

o respond effectively to competitive pressures; and o continue to develop and upgrade our technology.

If we are unsuccessful in addressing these risks and uncertainties, our business, results of operations and financial condition would be materially adversely affected.

We may fail to meet market expectations because of fluctuations in our quarterly operating results, which would cause our stock price to decline.

Although we intend to steadily increase our spending and investment to support our planned growth, our revenues, and some of our costs, will be much less predictable. This is likely to result in significant fluctuations in our quarterly results and to limit the value of quarter-to-quarter comparisons. Because of our limited operating history and the emerging nature of our industry, we anticipate that securities analysts and investors will have difficulty in accurately forecasting our results. It is possible that our operating results in some quarters will be below market expectations. In this event, the price of our common stock is likely to decline.

The following are among the factors that could cause significant fluctuations in our operating results:

o the number of users on, and the frequency of their use of, our Web sites;

o our ability to attract and retain advertisers;

o the expiration or termination of our strategic relationship with Pearson Television and others;

o the expiration or termination of partnerships with Web sites and Internet service providers, or ISPs, which can result from mergers or other strategic combinations as Internet businesses continue to consolidate;

o our ability to offer on a timely and affordable basis merchandise that appeals to our users' preferences;

o system outages, delays in obtaining new equipment or problems with planned upgrades;

o disruption or impairment of the Internet;

o our ability to successfully expand our online entertainment offerings beyond the games and game show sector;

o the introduction of new or enhanced services by us or our competitors;

o seasonality in the demand for advertising, or changes in our own advertising rates or advertising rates in general, both on and off the Internet;

o changes in government regulation of the Internet; and o general economic and market conditions.

We may not be able to adjust our operating expenses in order to offset any unexpected revenue shortfalls.

Our operating expenses are based on our expectations of our future revenues. These expenses are relatively fixed, at least in the short term. We intend to expend significant amounts in the short term, particularly to expand our advertising sales department and to build brand awareness. We may be unable to adjust spending quickly enough to offset any unexpected revenue shortfall. If we fail to substantially increase our revenues, then our financial condition and results of operations would be materially adversely affected.

The development of our brand is essential to our future success.

Enhancing the Uproar brand is critical to our ability to expand our user base and our revenues. We believe that the importance of brand recognition will increase as the number of entertainment Web sites grows. In order to attract and retain users and advertisers, we intend to increase our expenditures for creating and maintaining brand loyalty. We cannot assure you that we will be successful in building or maintaining our brand.

Our success in promoting and enhancing the Uproar brand will also depend on our success in providing high quality content, features and functions that are attractive and entertaining to users of online game shows and multi-player games. If we fail to promote our brand successfully or if visitors to our Web sites or advertisers do not perceive our services to be of high quality, the value of the Uproar brand could be diminished and this could adversely affect our business, financial condition and results of operations.

We have derived a portion of our revenues from reciprocal advertising agreements, or barter, which do not generate cash revenue.

We derive a portion of our revenues from reciprocal advertising arrangements, or barter, under which we exchange advertising space on our Web sites, or provide game content or other services for third-party Web sites, predominantly for advertising space on other Web sites rather than for cash payments. In the nine months ended September 30, 1999, we derived approximately $939,700, or 17.8% of our revenues, from these arrangements. In the year ended December 31, 1998, we derived approximately $365,000, or 22.0% of our revenues, from these arrangements. We expect that barter will continue to account for some of our revenues in the foreseeable future. The Securities and Exchange Commission, together with the Financial Accounting Standards Board, or FASB, have recently begun to examine revenues recognized by Internet companies from barter transactions. This review may result in limitations on revenues which may be derived from these transactions. If such rules are implemented, our business and financial results may suffer.

Our advertising pricing model, which is based heavily on the number of advertisements delivered to our users, may not be successful.

Different pricing models are used to sell advertising on the Internet and the models we adopt may prove to not be the most profitable. Advertising based on impressions, or the number of times an advertisement is delivered to users, currently comprises substantially all of our revenues. To the extent that we do not meet the minimum guaranteed impressions that we are required to deliver to users under many of our advertising contracts, we defer recognition of the corresponding revenues until we achieve the guaranteed impression levels. To the extent that minimum guaranteed impression levels are not achieved, we may be required to provide additional impressions after the contract term, which would reduce our advertising inventory. In addition, since advertising impressions may be delivered to a user's Web browser without regard to user activity, advertisers may decide that a pricing model based on user activity is preferable. We cannot predict which pricing model, if any, will emerge as the industry standard. As a result, we cannot accurately project our future advertising rates and revenues. Our advertising revenues could be adversely affected if we are unable to adapt to new forms of Internet advertising or we do not adopt the most profitable form.

We may not be able to track the delivery of advertisements on our network in a way that meets the needs of our advertisers.

It is important to our advertisers that we accurately measure the delivery of advertisements on our network and the demographics of our user base. Companies may choose to not advertise on our Web sites or may pay less for advertising if they do not perceive our ability to track and measure the delivery of advertisements to be reliable. We depend on third parties to provide us with many of these measurement services. If they are unable to provide these services in the future, we would need to perform them ourselves or obtain them from another provider. We could incur additional costs or experience interruptions in our business during the time we are replacing these services. In addition, if successful, legal initiatives related to privacy concerns could also prevent or limit our ability to track advertisements.

Our business may suffer if we have difficulty retaining users on our Web sites.

Our business and financial results are also dependent on our ability to retain users on our Web sites. In any particular month, many of the visitors to our sites are not registered users and many of our registered users do not visit our sites. We believe that intense competition has caused, and will continue to cause, some of our registered users to seek online entertainment on other sites and spend less time on our sites. It is relatively easy for Internet users to go to competing sites and we cannot be certain that any steps we take will maintain or improve our retention of users. In addition, some new users may decide to visit our Web sites out of curiosity regarding the Internet and may later discontinue using Internet entertainment services. If we are unable to retain our user base, our business and financial results may suffer.

We plan to increase our advertising sales department to support our growth.

Our business, results of operations and financial condition will be materially adversely affected if we do not develop and maintain an effective advertising sales force. On September 30, 1999, our advertising sales department had 26 members. In October 1999, we hired an executive vice president to manage our sales and marketing efforts and it can take a relatively long time for a manager to begin to achieve desired results. We need to increase substantially our advertising sales department in the near future to support our planned growth. Our ability to increase our sales department involves a number of risks and uncertainties, including:

o the competition we face in hiring and retaining advertising sales personnel;

o our ability to integrate, train and motivate additional advertising sales and support personnel;

o our ability to manage a multi-location advertising sales organization; and o the length of time it takes new advertising sales personnel to become productive.

Seasonal factors may affect our quarterly operating results.

User traffic on Web sites typically declines during the summer and year-end vacation and holiday periods. These general seasonal declines in user traffic may affect us and may, over time, cause our growth rate and total revenues to fluctuate.

We face risks associated with international operations.

We currently operate in the United States, Hungary, Germany and the United Kingdom. We intend to continue to expand into additional international markets and to spend significant financial and managerial resources to do so.

Our business internationally is subject to a number of risks. These include:

o linguistic and cultural differences;

o inconsistent regulations and unexpected changes in regulatory requirements;

o difficulties and costs of staffing and managing international operations;

o differing technology standards;

o potentially adverse tax consequences;

o wage and price controls;

o political instability;

o social unrest;

o uncertain demand for electronic commerce;

o uncertain protection for intellectual property rights; and o imposition of trade barriers.

We have no control over many of these matters and any of them may adversely affect our business, results of operations and financial condition.

Currency fluctuations and exchange control regulations may adversely affect our business.

Our reporting currency is the United States dollar. Our customers outside the United States, however, are generally billed in local currencies. Our accounts receivable from these customers and overhead assets will decline in value if the local currencies depreciate relative to the United States dollar. To date, we have not tried to reduce our exposure to exchange rate fluctuations by using hedging transactions. Although we may enter into hedging transactions in the future, we may not be able to do so successfully. In addition, our currency exchange losses may be magnified if we become subject to exchange control regulations restricting our ability to convert local currencies into United States dollars.

We have limited experience in offering electronic commerce services to our users and may not be able to generate substantial revenues from electronic commerce.

Since the introduction of electronic commerce, the number of Web sites that sell products to consumers has increased rapidly. We expect this number to increase given the relative ease with which new electronic commerce Web sites can be developed. We believe that the primary competitive factors for electronic commerce are:

o customers' security concerns;

o brand recognition;

o Web site content;

o ease of use;

o price;

o merchandising capability;

o fulfillment speed;

o customer service and support; and o reliability.

The nature of the Internet as an electronic marketplace may make it more competitive than traditional retailing environments and increased online competition may result in reduced operating margins.

We have limited experience in providing electronic commerce services to our users and only recently hired our electronic commerce manager. Some of our competitors may be in a better position to provide these services to their users because of their greater technological, financial and marketing resources. Also, these competitors may have the support of, or relationships with, important electronic commerce participants, which could adversely affect the extent of support these electronic commerce market participants may provide to us in the future.

We carry inventory on the majority of products sold on our Web sites. As a result, it will be important to our success in electronic commerce that we accurately predict the changing trends in consumer preferences for the goods sold on our sites and do not overstock unpopular products. If demand for one or more of the products falls short of our expectations, we may be required to take inventory markdowns, which could reduce our gross margins. In addition, to the extent that demand for the products increases over time, we may be forced to increase inventory levels. Any increase would subject us to additional inventory risks.

We sell numerous third-party products on our Web sites. With respect to those products, we compete with numerous electronic commerce merchants and the Web sites of companies that manufacture the products we offer. In selling products over the Internet, we also compete with stores and companies that do not distribute their products through the Internet. Many of our Internet and non-Internet competitors are larger than we are, enjoy greater economies of scale than are available to us, have substantially greater resources than we have and may be able to offer more products or more attractive prices than we can.

Risks Associated with Our Advertisers and Strategic Partners We depend on a small group of customers.

In the nine months ended September 30, 1999, About.com accounted for 12.2% of our revenues. No other customer accounted for more than 10.0% of our revenues. Our top five customers, in the aggregate, accounted for 39.5% of our revenues during that period. Yahoo! accounted for 20.7% of our 1998 revenues in connection with development services performed in that year. In 1998, our top advertiser, Microsoft Inc. and associated companies, accounted for approximately 11.8% of our total

revenues and our top five customers, including Yahoo! and Microsoft, accounted for approximately 44.1% of revenues. If we lose one or more of our top customers and do not attract additional customers, our business, results of operations and financial condition could be materially adversely affected.

Our relationship with Pearson Television may not be successful.

In January 1999, we entered into an agreement with Pearson Television, pursuant to which we were granted exclusive rights to provide Internet games in the English language based on the television games Family Feud, Match Game, 100% and Password. Our rights under this agreement will expire in September unless Pearson elects to extend them. In addition, Pearson may terminate the agreement if Mr. Simon, our Chief Financial Officer, ceases to be employed by us in a senior management capacity. If these rights are not renewed, Pearson will have the rights to distribute Internet games either directly or through one of our competitors. Pearson retains the trademark rights for these shows. The termination of this relationship would have a material adverse effect on our business, results of operations and financial condition. Even if Pearson were willing to renew the contract, it may not be willing to do so on terms that are favorable to us. As a result, we might not be able to recover the investment we made in developing these Internet games.

As part of our agreement with Pearson, we have guaranteed minimum royalty payments to Pearson pertaining to these Internet games. In the event that one or more of these games is not financially successful for us, we still are obligated to make the royalty payments to Pearson.

We depend on relationships with third party content providers that may prove to be costly and inconsistent.

Because our business competes with the wide array of entertainment alternatives available to consumers, it is important that we establish relationships with media content providers with a high degree of brand identification. Our future success depends in large part on these relationships. Because most of our agreements with these third parties are not exclusive, our competitors may seek to use the same parties as we do and attempt to adversely impact our relationships with these parties. We might not be able to maintain these relationships or replace them on financially attractive terms. We intend to seek additional relationships in the future. Our business, results of operations and financial condition could be materially adversely affected if the parties with which we have these relationships do not adequately perform their obligations, reduce their activities with us, choose to compete with us or provide their services to a competitor.

A portion of the users who visit our Web sites come from third-party Web sites with which we have nonexclusive, short-term relationships. Because these Web sites may not themselves attract significant numbers of users, we may not receive a significant number of additional users from these relationships. Some of our major strategic alliances require us to make minimum guaranteed payments, even if the relationships are not profitable.

We currently have agreements that limit our ability to enter into other advertising or sponsorship agreements or other strategic relationships. We may in the future enter into more of these agreements. We currently have agreements with advertisers, electronic commerce market participants or other third parties that require us to exclusively feature these parties in particular sections or on particular pages of our Web sites. Many companies we may pursue for strategic relationships also offer competing services. As a result, these companies may be reluctant or unable to enter into strategic relationships with us.

Risks of Our Business Model We may not be able to compete successfully.

There are many companies that provide Web sites and online destinations targeted to audiences seeking various forms of entertainment content. All of these companies compete with us for visitor traffic, advertising dollars and electronic commerce sales. This competition is intense and is expected to increase significantly in the future as the number of entertainment-oriented Web sites continues to grow. Our success will be largely dependent upon the perceived value of our content relative to other available entertainment alternatives, both online and elsewhere.

Increased competition could result in:

o lower advertising rates;

o lower profit margins;

o loss of visitors or visitors spending less time on our sites;

o reduced page views or advertising impressions; and o loss of market share.

Any one of these could materially adversely affect our business, results of operations and financial condition.

Many of our existing and potential competitors, in comparison to us, have:

o longer operating histories;

o greater name recognition in some markets;

o larger customer bases; and o significantly greater financial, technical and marketing resources.

These competitors may also be able to undertake more extensive marketing campaigns for their brands and services, adopt more aggressive advertising pricing policies, use superior technology platforms to deliver their products and services and make more attractive offers to potential employees, distribution partners, product manufacturers, inventory suppliers, advertisers and third-party content providers. Our competitors may develop content that is better than ours or that achieves greater market acceptance. Sony Station, for example, currently has the exclusive right to the online versions of the television game shows Jeopardy and Wheel of Fortune and the board game Trivial Pursuit. In addition, new competitors may emerge and acquire significant market share.

We also compete with traditional forms of media, like newspapers, magazines, radio and television for advertisers and advertising revenue. If advertisers perceive the Internet or our Web sites to be a limited or an ineffective advertising medium, they may be reluctant to devote a portion of their advertising budgets to our Web sites.

Our plans to expand our entertainment business beyond our core game show sites may not be successful.

Almost all of our experience to date is with online games and game shows. Because we have only limited experience with businesses beyond our core gaming sites, we cannot predict whether we will be able to successfully expand into other online entertainment businesses. Expanding our business will require us to expend significant amounts of capital to be able to contend with competitors that have more experience than we do in these businesses and may also have greater resources to devote to these businesses. Also, our management may have to divert a disproportionate amount of its attention away from our day-to-day core business and devote a substantial amount of time expanding into new areas. If we are unable to effectively expand our business or manage any such expansion, our business may suffer and our financial condition and results of operations will be adversely affected.

Risks Related to the Internet Industry Our revenues depend on the continuing growth of the Internet.

Our future success is dependent on the increased use of the Internet. We cannot assure you that the market for Internet services will continue to grow or become sustainable.

The Internet may not continue as a viable commercial marketplace because of many factors, including:

o the inadequate development of the necessary infrastructure;

o a lack of development of complementary products such as high speed modems and high speed communication lines; and o delays in the development or adoption of new standards and protocols required to handle increased levels of Internet activity.

The Internet has experienced, and is expected to continue to experience, significant growth in the number of users and volume of traffic. We cannot assure you that the Internet infrastructure will be able to support the demands placed on it by this continued growth. In addition to the Internet's uncertain ability to expand to accommodate increasing traffic, critical issues concerning the use of the Internet, including security, reliability, cost, ease of deployment and administration and quality of service, remain unresolved. A number of states, for example, have recently permitted telephone companies to charge increased rates for consumers connecting to the Internet. Concerns regarding these issues may affect the growth of the use of Internet. If the Internet fails to continue as a viable marketplace, or develops more slowly than expected, our business, results of operations and financial condition could suffer.

We will only be able to execute our business plan if Internet advertising increases.

Consumer usage of the Internet is relatively new and the success of the Internet as an advertising medium will depend on its widespread adoption. Our business would be materially adversely affected if the Internet advertising market develops more slowly than we expect, or if we are unsuccessful in

increasing our advertising revenues. We expect that revenues from Internet advertising will make up a significant amount of our revenues for the foreseeable future.

The adoption of Internet advertising, particularly by those entities that have historically relied on traditional media for advertising, requires the acceptance of a new way of conducting business, exchanging information and advertising products and services. Advertisers that have traditionally relied on other advertising media may be reluctant to advertise on the Internet. These businesses may find Internet advertising to be less effective than traditional advertising media for promoting their products and services. Many potential advertising and electronic commerce partners have little or no experience using the Internet for advertising purposes. Consequently, they may allocate only limited portions of their advertising budgets to Internet advertising.

We may not be able to adapt as Internet technologies and customer demands continue to evolve.

To be successful, we must adapt to rapidly evolving Internet technologies by continually enhancing our existing services and introducing new services to address our customers' changing demands. We expect to incur substantial costs in modifying our services and infrastructure and in recruiting and hiring experienced technology personnel to adapt to changing technology affecting providers of Internet services. We may not be able to hire the necessary personnel or adapt to these changes in a timely manner or at all.

Regulatory and legal uncertainties could harm our business.

The legal and regulatory environment that pertains to the Internet is uncertain and may change. New laws and regulations may be adopted. Existing laws may be applied to the Internet and new forms of electronic commerce. New and existing laws may cover issues like:

o sales and other taxes;

o user privacy;

o pricing controls;

o characteristics and quality of products and services;

o consumer protection;

o cross-border commerce;

o libel and defamation;

o copyright, trademark and patent infringement; and o other claims based on the nature and content of Internet materials.

Customer uncertainty and new regulations could increase our costs and prevent us from delivering our products and services over the Internet. It could also slow the growth of the Internet significantly. This could delay growth in demand for our products and limit the growth of our revenues.

Our games and game shows are subject to gaming regulations.

We operate online games of skill and chance that are regulated in many jurisdictions and, in some instances, we reward prizes to the participants. The selection of prize winners is sometimes based on chance, although none of our games requires any form of monetary payment. The laws and regulations that govern our games, however, are subject to differing interpretations in each jurisdiction and are subject to legislative and regulatory change in any of the jurisdictions in which we offer our games. If such changes were to happen, we may find it necessary to eliminate, modify or cancel certain components of our products that could result in additional development costs and/or the possible loss of revenue.

User concerns and government regulations regarding privacy may adversely affect our business.

Web sites sometimes place identifying data, or cookies, on a user's hard drive without the user's knowledge or consent. Our company and many other Internet companies use cookies for a variety of different reasons, including the collection of data derived from the user's Internet activity. Any reduction or limitation in the use of cookies could limit the effectiveness of our sales and marketing efforts. Most currently available Web browsers allow users to remove cookies at any time or to prevent cookies from being stored on their hard drive. In addition, some privacy advocates and governmental bodies have suggested limiting or eliminating the use of cookies. For example, the European Union recently adopted a privacy directive that may limit the collection and use of information regarding Internet users. These efforts may limit our ability to target advertising or collect and use information regarding the use of our Web sites which would reduce our revenues. Fears relating to a lack of privacy could also result in a reduction in the number of our users.

Some of our advertisers operate online casinos.

In the nine months ended September 30, 1999, 18.6% of our revenue was from advertising that promoted offshore casino sites. The Congress of the United States is currently considering legislation that would render unlawful offshore casino gambling offered online in the United States. If this legislation is enacted in a form similar to the bill pending in Congress, we would necessarily need to terminate or modify our current agreements with offshore casino site advertisers, which would result in a corresponding loss of revenue.

In addition, such legislation could impose penalties on United States-based companies that are deemed to aid in the operation of offshore online casinos or encourage the use of such sites by United States residents. Accordingly, it is possible that we could be liable for criminal or civil penalties if we do not take proper measures to terminate or modify our agreements with online casino sites.

We may be liable for the content we make available on the Internet.

We make content available on our Web sites and on the Web sites of our advertisers and distribution partners. The availability of this content could result in claims against us based on a variety of theories, including defamation, obscenity, negligence, copyright or trademark infringement. We could also be exposed to liability for third-party content accessed through the links from our sites to other Web sites. We may incur costs to defend ourselves against even baseless claims and our financial condition could

be materially adversely affected if we are found liable for information that we make available. Implementing measures to reduce our exposure to this liability may require us to spend substantial resources and limit the attractiveness of our service to users.

Other Risks Impacting Our Business We may not effectively manage our growth.

In order to execute our business plan, we must grow significantly. This growth will place a significant strain on our personnel, management systems and resources. If we do not manage growth effectively, our business, results of operations and financial condition would be materially adversely affected. We expect that the number of our employees, including management-level employees, will continue to increase for the foreseeable future. We have recently hired some of our key employees including our Chief Executive Officer, Chief Operating Officer, Executive Vice President of Product Marketing, Executive Vice President of Sales and Marketing and Executive Vice President of Merchandising. These individuals do not have significant experience working with us or together as our management team.

We must continue to improve our operational and financial systems and managerial controls and procedures. We will need to continue to expand, train and manage our workforce. We must also maintain close coordination among our technical, accounting, finance, marketing, sales and editorial organizations.

We depend on our key personnel.

Our future success depends, in part, on the continued service of our key management personnel, particularly Kenneth D. Cron, our Chairman of the board of directors and Chief Executive Officer, and Christopher R. Hassett, our President and Chief Operating Officer. The loss of the services of these individuals or other key employees would have a material adverse effect on our business, results of operations and financial condition. Our future success also depends on our ability to attract, retain and motivate highly-skilled employees. Competition for employees in our industry is intense. We may be unable to attract, assimilate or retain other highly qualified employees in the future. We have from time to time in the past experienced, and we expect to continue to experience in the future, difficulty in hiring and retaining highly-skilled employees with appropriate qualifications.

The technical performance of our Web sites is critical to our business and to our reputation.

The computer systems that support our Web sites are designed and maintained by us at significant expense. We may not be able to successfully design and maintain our systems in the future. Any system failure, including network, software or hardware failure, that causes an interruption in our service or a decrease in responsiveness of our Web sites could result in reduced user traffic and reduced revenue. We have in the past experienced slower response times and interruptions in service because of equipment or software down time related to the high volume of traffic on our Web sites and our need to deliver frequently updated information to our users. We cannot assure you that we will be able to expand our systems to adequately accommodate our growing user base. We could also be affected by computer viruses, electronic break-ins from unauthorized users, or other similar disruptions or

attempts to penetrate our online security systems. Any secure provider system disruption or failure, security breach or other damage that interrupts or delays our operations could harm our reputation and cause us to lose users, advertisers and sponsors and adversely affect our business and operations.

We currently maintain production servers in New York City and London and plan to include a facility in California in the future. Our domestic data centers are operated at facilities provided by Level 3 Communications and Digital Telemedia. Our London data center is operated by PSI Net. Our operations depend on these facilities' ability to protect their and our systems against damage from fire, power loss, water, telecommunications failures, vandalism and other malicious acts, and similar unexpected adverse events. Any disruption in the Internet access provided by our servers could have a material adverse effect on our business, results of operations and financial condition. Our users depend on Internet service providers, online service providers and other Web site operators for access to our Web sites. These providers have had interruptions in their services for hours and, in some cases, days, due to system failures unrelated to our systems. These interruptions could harm our reputation and adversely affect our business.

We may be unable to protect our intellectual property rights and we may be liable for infringing the intellectual property rights of others.

We do not currently maintain patents on our technology and others may be able to develop similar technologies in the future. We regard our copyrights, service marks, trademarks, trade secrets and other intellectual property as critical to our success. We rely on trademark and copyright law, trade secret protection and confidentiality and/or license agreements with our employees, customers, partners and others to protect our intellectual property rights. Unauthorized use of our intellectual property by third parties may adversely affect our business and our reputation. It may be possible for third parties to obtain and use our intellectual property without authorization. Furthermore, the validity, enforceability and scope of protection of intellectual property in Internet-related industries is uncertain and still evolving. The laws of some foreign countries are uncertain or do not protect intellectual property rights to the same extent as do the laws of the United States. Our multi-user games run on proprietary software systems developed by us at significant expense. Nonetheless, we do not maintain patents on our technology and others may be able to develop similar technologies in the future.

We cannot be certain that our products do not or will not infringe valid patents, copyrights, trademarks or other intellectual property rights held by third parties. We may be subject to legal proceedings and claims from time to time relating to the intellectual property of others in the ordinary course of our business. We may incur substantial expenses in defending against these third-party infringement claims, regardless of their merit. Successful infringement claims against us may result in substantial monetary liability or may materially disrupt the conduct of our business.

We are subject to the risks of integrating and funding joint ventures, acquisitions and alliances.

As part of our strategy, we seek to enter into alliances or joint ventures with, and may seek to acquire, complementary businesses, technologies, services or products, some of which may be significant. These relationships may require significant management attention and, in some cases, additional working

capital. We do not know if we will be able to complete any future joint ventures, acquisitions or alliances. To finance future transactions, it may be necessary for us to raise additional funds through public or private financings. Any equity or debt financings, if available at all, may adversely impact our operations and, in the case of equity financings, may result in dilution to existing stockholders. If we are unable to integrate or implement any joint venture, acquisition or alliance effectively, our business, results of operations and financial condition could be materially adversely affected.

We cannot predict our future capital needs and we may not be able to secure additional financing.

We will likely need to raise additional funds in the future. Any required additional financing may not be available on terms favorable to us, or at all. If adequate funds are not available on acceptable terms, we may be unable to:

o fund our expansion;

o successfully promote our brand;

o develop or enhance our services;

o respond to competitive pressures; or o take advantage of acquisition opportunities.

If additional funds are raised by our issuing additional equity securities, stockholders may experience dilution of their ownership interest and, if approved by our stockholders, the newly issued securities could have rights superior to those of the shares of common stock sold in this offering. If additional funds are raised by our issuing debt, we may be subject to limitations on our operations.

Our shares may experience extreme price and volume fluctuations.

Following this offering, the price at which our common stock will trade is likely to be highly volatile. In addition, the stock market has from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of technology companies, particularly Internet companies. As a result, investors in our common stock may experience a decrease in the value of their common stock regardless of our operating performance or prospects.

If our stock price is volatile, we may become subject to securities litigation which is expensive and could result in a diversion of resources.

In the past, following periods of volatility in the market price of a particular company's securities, securities class action litigation has often been brought against that company. Many companies in the Internet industry have been subject to this type of litigation in the past. We may also become involved in this type of litigation. Litigation is often expensive and diverts management's attention and resources, which could have a material adverse effect upon our business, financial condition and results of operations.

We may use the proceeds of this offering ineffectively or in ways with which you may not agree.

Our management will have significant flexibility in applying the net proceeds of this offering, including ways with which stockholders may disagree. If we do not apply the funds we receive effectively, our accumulated deficit will increase and we may lose significant business opportunities.

Shares eligible for public sale after this offering could adversely affect our stock price.

The market price of our common stock could decline as a result of sales by our existing stockholders of shares of common stock in the market after this offering, or the perception that these sales could occur. These sales also might make it difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

Our charter documents and Delaware law may inhibit a takeover that stockholders may consider favorable.

Provisions in our charter and bylaws may have the effect of delaying or preventing a change of control or changes in our management that stockholders consider favorable or beneficial. If a change of control or change in management is delayed or prevented, the market price of our common stock could suffer.

You will suffer immediate and substantial dilution.

The initial public offering price per share in the United States will significantly exceed our net tangible book value per share. Accordingly, investors purchasing shares in this offering will suffer immediate and substantial dilution of their investment.

We do not plan to pay dividends in the foreseeable future, and, as a result, stockholders will need to sell shares to realize a return on their investment.

We have not declared or paid any cash dividends on our capital stock since inception. We intend to retain any future earnings to finance the operation and expansion of our business and do not anticipate paying any cash dividends in the foreseeable future. Consequently, you will need to sell your shares of common stock in order to realize a return on your investment and you may not be able to sell your shares at or above the price you paid for them.

Forward Looking Statements; Market Data

Many statements made in this prospectus under the captions "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business" and elsewhere are forward-looking statements that are not based on historical facts. These forward-looking statements are usually accompanied by words such as "believes," "anticipates," "plans," "expects" and similar expressions. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements, including those discussed under "Risk Factors."

This prospectus contains information concerning Uproar and the Internet market generally. Some of this information is forward-looking in nature and is based on a variety of assumptions regarding the ways in which this market will develop. These assumptions have been derived from information

currently available to us and to the third party market observers quoted herein, including Media Metrix, International Data Corporation, or IDC, and Forrester Research. They include the following general underlying expectations:

o no catastrophic failure of the Internet will occur;

o the number of people online and the total number of hours spent online will increase significantly over the next five years;

o government regulations will not prohibit or materially and adversely affect our business;

o the total value of online advertising and electronic commerce will increase significantly over the next five years; and o Internet security and privacy concerns will be adequately addressed.

If any one or more of the foregoing assumptions is incorrect, actual market results may differ from those predicted. While we do not know what impact any such differences may have on our business, our future business, results of operations and financial condition, and the market price of our shares of common stock may be materially adversely impacted. Some of the Internet usage data presented in this prospectus is derived from statistics published by Media Metrix, an independent provider of Web measurement services. Media Metrix draws its data from a sample of over 50,000 Web users that have installed a tracking meter on the computers they use to access the Web, including those in their places of residence and places of work. The meter records computer activity by individual, by date, time and duration and page-by-page viewing of the Web. If the computer has been inactive for more than 30 minutes the meter requires users to indicate again who is at the computer. Media Metrix defines "unique visitors per month" as the actual number of unduplicated users who visit a given Web site or group of sites at least once in a given month, and "average minutes per usage day" as the average number of minutes spent on the site or category during the day, per visiting person.

Price Range of Common Stock

Global instrument certificates, or GICs, representing interests in our common stock, were approved for trading on the Sonstiger Handel of the Vienna Stock Exchange between September 19, 1997 and November 30, 1999. From September 19, 1997 until December 31, 1998, the GICs were quoted in Austrian Schillings and from January 1, 1999 until November 30, 1999, the GICs were quoted in euros. The following table sets forth, for the periods indicated, the high and low sale prices as originally reported by the Vienna Stock Exchange and as converted into United States dollars, for the GICs. Conversions into United States dollars are calculated using the noon buying rate, per United States $1.00, for cable transfers in foreign currencies as certified by the Federal Reserve Bank of New York on the date each relevant price was quoted.

	Highest Reported Price		
	As reported	As converted to U.S. dollars	Conversion Rate
1997			
Fourth Quarter (from September 19)	ATS 43.00	$ 3.44	12.5
1998			

First Quarter	ATS 39.50	$ 3.09	12.8
Second Quarter	55.00	4.44	12.4
Third Quarter	71.50	5.72	12.5
Fourth Quarter	220.00	18.64	11.8
1999			
First Quarter	[euro] 25.88	$ 29.21	0.886
Second Quarter	31.00	33.01	0.939
Third Quarter	26.30	26.84	0.980
Fourth Quarter (until November 30, 1999)	33.00	33.27	0.992

	Lowest Reported Price		
	As reported	As converted to U.S. dollars	Conversion Rate
1997			
Fourth Quarter (from September 19)	ATS 37.50	$ 3.05	12.3
1998			
First Quarter	ATS 38.45	$ 3.00	12.8
Second Quarter	43.50	3.35	13.0
Third Quarter	52.50	4.10	12.8
Fourth Quarter	64.25	5.59	11.5
1999			
First Quarter	[euro] 17.40	$ 20.09	0.866
Second Quarter	26.00	27.17	0.957
Third Quarter	17.20	18.20	0.945
Fourth Quarter (until November 30, 1999)	20.00	21.41	0.934

Our common stock was approved for trading on the European Association of Securities Dealers' Automated Quotation system, or EASDAQ, on July 8, 1999. The following price table sets forth, for the periods indicated, the high and low sale prices, as originally reported by EASDAQ and as converted into United States dollars, for our common stock. Conversions into United States dollars are calculated using the noon buying rate, per United States $1.00, for cable transfers in foreign currencies as certified by the Federal Reserve Bank of New York on the date each relevant price was quoted. On December 20, 1999, the last reported price of our common stock on EASDAQ was [euro] 35.50, or $35.75. The noon buying rate for December 20, 1999 was [euro] 0.993 per United States $1.00.

	Highest Reported Price			Lowest Reported Price		
	As reported	As converted to U.S. dollars	Conversion Rate	As reported	As converted to U.S. dollars	Conversion Rate
1999						
Third Quarter (from July 8)	[euro] 27.20	$ 27.76	0.980	[euro] 18.50	$ 19.25	0.961
Fourth Quarter	38.35	38.97	0.984	20.00	21.62	0.925

The liquidity and trading patterns of securities quoted on the Vienna Stock Exchange and EASDAQ may be substantially different from those of securities quoted on the Nasdaq National Market. EASDAQ is a relatively new quotation system and we are one of only a small number of issuers that quotes its shares on EASDAQ. Historical trading prices, therefore, may not be indicative of the prices at which our common stock will trade in the future.

Use of Proceeds

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     The net proceeds we will receive from the sale of the common shares
offered by us are estimated to be
$    million, assuming an initial public offering price in the United States of
$     per share and after deducting the estimated underwriting discount and
offering expenses. If the underwriters' over-allotment option is exercised in
full, we estimate that the net proceeds will be $     million.
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We intend to use the proceeds of this offering:

o to fund our marketing activities;

o to expand our advertising sales force;

o to enhance our products and services;

o to expand our business internationally;

o to enter into distribution and affiliate arrangements with other Web sites; and o for general corporate purposes.

In addition, as part of our strategy, we seek to enter into alliances or joint ventures with, and may acquire, complementary businesses, technologies, services or products, some of which may be significant. We may use some of the net proceeds for these alliances, joint ventures or acquisitions. We currently do not have commitments or agreements with respect to any such transactions.

We have not determined the amount of net proceeds to be used for each of the specific purposes indicated. Accordingly, our management will have significant flexibility in applying the net proceeds of the offering.

Until this money is used, we intend to invest the net proceeds in short-term, interest-bearing securities.

Dividend Policy

We have never declared or paid any cash dividends on our capital stock. We intend to retain any future earnings to finance the operation and expansion of our business and do not anticipate paying any cash dividends in the foreseeable future.

Capitalization

The following table sets forth our capitalization as of September 30, 1999:

o on an actual basis; and o on an as adjusted basis to reflect our sale of shares of common stock at an initial public price in the United States of $ per share, after deducting underwriting discounts and the estimated offering expenses payable by us.

You should be read this information together with our supplemental consolidated financial statements and the notes to those statements appearing elsewhere in this prospectus.

As of September 30, 1999 Actual As Adjusted (in thousands)

Capital lease obligations	$ 174	$
Stockholders' equity:		
Shares of common stock, $.01 par value; 28,000,000 shares authorized; 11,835,530 shares of common stock issued and outstanding (actual); issued and outstanding (as adjusted)	592	
Additional paid-in capital	83,221	
Other comprehensive loss	(40)	
Accumulated deficit	(31,711)	
Total stockholders' equity	52,061	
Total capitalization	$ 52,235	$

The number of shares of common stock to be outstanding after this offering is based on the number of shares outstanding as of September 30, 1999. It does not include:

o 2,468,632 shares subject to options outstanding as of September 30, 1999 at a weighted average exercise price of $15.64 per share; and o shares subject to the underwriters' overallotment option.

Dilution

Our net tangible book value as of September 30, 1999 was $39.9 million, or $3.50 per share of our common stock. Net tangible book value per share is determined by dividing the amount of our total tangible assets less total liabilities by the number of shares of common stock outstanding, as of September 30, 1999. Assuming our sale of the shares offered in this offering at an assumed initial public offering price in the United States of $ per share and after deducting underwriting discounts and estimated offering expenses, and the application of the estimated net proceeds, our net tangible book value as of September 30, 1999 would have been $, or $ per share of common stock. This represents an immediate increase in net tangible book value of $ per share to existing stockholders and an immediate dilution in net tangible book value of $ per share to new investors. The following table illustrates this per share dilution:

Assumed initial public offering price in the United States per share		$
Net tangible book value per share as of September 30, 1999	$	
Increase attributable to new investors		
Net tangible book value per share after the offering		
Dilution per share to new investors		$

These tables summarizes, as of September 30, 1999, the total number of shares of common stock purchased from us, the total consideration paid to us and the average price per share paid by existing stockholders and by new investors:

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders	11,385,530	%	$88,613,171	%	$ 7.31

New investors				
Total	100.0%	$	100.0%	$

Total consideration includes an in-kind contribution of $24.7 million.

These tables and calculations do not include:

o the exercise of 2,468,632 stock options outstanding as of September 30, 1999 at a weighted average exercise price of $15.64; and o shares subject to the underwriters' overallotment option.

Selected Consolidated Financial Data

The following selected consolidated financial data should be read in conjunction with the consolidated financial statements and the notes to these statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in this prospectus. The selected consolidated statement of operations data for the period ended December 31, 1995 and for the years ended December 31, 1996, 1997 and 1998, and the consolidated balance sheet data as of December 31, 1995, 1996, 1997 and 1998 are derived from our consolidated financial statements, which have been audited by KPMG Hungaria Kft., independent accountants, and are included in this prospectus. The unaudited consolidated financial statements have been prepared on substantially the same basis as the audited consolidated financial statements and include all adjustments, consisting of normal recurring adjustments, which we consider necessary for a fair presentation of the financial position and results of operations for those periods. Operating results for the nine months ended September 30, 1999 are not necessarily indicative of the results that may be expected for any other nine-month period or for the year ending December 31, 1999.

	Period ended	Year Ended December 31,			
	December 31,				
	1995	1996	1997	1998	
Statement of Operations Data:					
Net revenues	$ 43,365	$ 59,698	$ 348,709	$ 1,632,969	
Cost of revenues	--	(40,781)	(216,586)	(760,376)	
Gross profit	43,365	18,917	132,123	872,593	
Operating expenses:					
Sales and marketing	--	166,806	1,087,058	3,770,866	
Product development	33,190	389,346	772,744	849,486	
General and administrative	70,182	187,362	2,092,394	2,337,023	
Amortization of intangible assets	--	--	--	--	
Loss from operations	(60,007)	(724,597)	(3,820,073)	(6,084,782)	
Foreign exchange gain (loss)	(2,233)	49,946	(85,439)	57,401	
Interest income (expense), net	4,326	(27,829)	82,349		

205,751				
Provision for income taxes	--	(4,909)	(5,582)	
(9,020)				
Net loss	$ (57,914)	$ (707,389)	$ (3,828,745)	$
(5,830,650)				
Basic and diluted net loss per share	$ (0.10)	$ (0.33)	$ (0.85)	$
(0.79)				
Weighted average number of shares out-standing	569,178	2,129,042	4,517,464	
7,348,556				

Nine Months Ended September 30, 1998 1999 (unaudited)

Statement of Operations Data:		
Net revenues	$ 911,253	$ 5,274,896
Cost of revenues	(525,230)	(1,690,692)
Gross profit	386,023	3,584,204
Operating expenses:		
Sales and marketing	1,860,913	13,531,320
Product development	529,985	1,676,920
General and administrative	1,195,503	5,105,128
Amortization of intangible assets	--	4,,553,728
Loss from operations	(3,200,378)	(21,282,892)
Foreign exchange gain (loss)	36,400	(136,374)
Interest income (expense), net	106,164	177,131
Provision for income taxes	(4,000)	(44,324)
Net loss	$ (3,061,814)	$ (21,242,135)
Basic and diluted net loss per share	$ (0.45)	$ (2.00)
Weighted average number of shares out-standing	6,781,044	10,649,857

	December 31,				
September 30,					
	1995	1996	1997	1998	1999
			(in thousands)		
Balance Sheet Data:					
Cash and cash equivalents	$ 48	$ 268	$ 2,342	$ 7,036	$22,554
Working capital	82	(261)	2,405	6,444	32,315
Total assets	122	422	3,071	9,111	55,849
Total indebtedness, including current maturities	--	512	--	41	174
Total stockholders' equity	95	(163)	2,782	7,727	52,061

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with our consolidated financial statements and the notes to those statements and other financial information appearing elsewhere in this prospectus.

Overview

We are a leading online entertainment destination. Through our network of Web sites, we provide online game shows and interactive single- and multi-player games that appeal to a broad audience. Our business was originally formed in February 1995 as E-Pub Services Limited, a corporation organized under the laws of Ireland. From February 1995 through July 1997, we focused on developing our technology, raising capital and recruiting personnel and did not generate significant revenues. In July 1997, we formed Uproar Ltd., a corporation organized under the laws of Bermuda, which became the parent of E-Pub Services Limited. In September 1997, we launched our Web sites uproar.com and uproar.co.uk. On December 16, 1999, we reincorporated in Delaware as Uproar Inc.

We have only a limited operating history for you to use as a basis for evaluating our business. You must consider the risks and difficulties frequently encountered by early stage companies like ours in new and rapidly evolving markets, including the Internet advertising market.

We are subject to industry trends that affect Internet providers generally, including seasonality and user inactivity. User traffic on Web sites has typically declined during the summer and year-end vacation and holiday periods. We believe that advertising sales in traditional media, such as television and radio, generally are lower in the first and third quarters of each year.

We have incurred net losses and negative cash flows from operations since our inception. At September 30, 1999, we had an accumulated deficit of $31.7 million. These losses have been funded primarily through the issuance of shares of our equity securities. On July 8, 1999, we raised approximately $30.7 million through the issuance of 1,416,000 shares of our stock which presently trade on EASDAQ. In January 1999, we raised an aggregate of approximately $9.6 million through two private issuances of 521,680 shares of our common stock.

We intend to continue to invest heavily in marketing and brand development, content enhancement and technology and infrastructure development. As a result, we believe that we will continue to incur net losses and negative cash flows from operations for the foreseeable future. Moreover, the rate at which these losses will be incurred may increase from current levels.

Advertising Revenues

Since July 1997, substantially all of our revenues have been derived from the sale of online advertising. In December 1999, we also began to derive revenues from our online affinity merchandising program.

Our advertising revenues are predominantly derived from:

o advertising arrangements under which we receive revenues based on the number of times an advertisement is displayed on our services, commonly referred to as cost per thousand impressions, or CPMs.

We also derive revenues from:

o sponsorship arrangements under which advertisers sponsor a game show, game or portion of one of our Web sites in exchange for which we receive a fixed payment;

o third-party distribution arrangements under which third parties distribute our games on their Web sites and sell advertising in connection with the use of our games in return for which we generally receive 50.0% of the revenue generated in connection with the game; and o advertising arrangements under which we receive revenues based on the number of times users click on an advertisement displayed on our services, commonly referred to as cost per click, or CPCs.

Our revenues from advertising are therefore affected by:

o the number of unique users visiting our Web sites during a given period;

o the amount of time that users actually spend on our Web sites, commonly referred to as the "stickiness" of our sites;

o the number of advertisements delivered to a user while on our Web sites; and o our ability to target user audiences for our advertisers.

We intermittently rotate advertisements on the pages of our Web sites where our users tend to spend long amounts of time. As a result, we believe a more accurate measurement of our potential to generate advertising revenue is the number of unique users that visit our sites and the amount of time they spend on our sites, rather than the number of registered users or page views.

We price our advertisements based on a variety of factors, including:

o whether payment is dependent upon guaranteed minimum impression or click levels;

o whether the advertising is targeted to specific audiences; and o the available inventory of impressions or clicks associated with a specific game or game show that will display the specific advertisement.

Since we are able to vary the size of advertising banners we display on a single page, we are able to charge more for "super-sized" banners than for more traditional banners.

We recognize CPM advertising revenues ratably in the period in which the advertisement is displayed, provided that no significant obligations remain and collection of the resulting receivable is probable. To the extent minimum guaranteed impression levels are not met, we defer recognition of the corresponding revenues until guaranteed levels are achieved. We recognize CPC advertising revenues as users click or otherwise respond to the advertisements. To the extent minimum guaranteed click levels are not met, we defer recognition of the corresponding revenues until guaranteed levels are achieved. In the case of contracts requiring actual sales of advertised items, we may experience delays in recognizing revenues pending receipt of data from that advertiser. We recognize sponsorship advertising revenue ratably in the period in which the sponsor's advertisement is displayed. We recognize revenues from our affiliate distribution arrangements ratably in the period in which our games are displayed on a third party's Web site.

If a payment is received prior to the time that we recognize revenue, we record that payment as deferred revenues.

Barter

We also engage in barter transactions in an effort to enhance our marketing efforts and improve our reach to potential new users. Under these arrangements, we deliver game content, including prizes, to a third party, or display on our Web sites advertisements promoting the third party's goods and services in exchange for its agreement to run advertisements promoting our Web sites. Revenues and costs from barter arrangements are recorded at the estimated fair value of the advertisements or services we provide, unless the fair value of the goods or services we receive can be determined more objectively. We recognize barter revenue at the time we deliver the third party's advertisement or product to our users or at the time we deliver content to the third party for inclusion in its service. We recognize barter costs when our advertisements are displayed by the third-party to its users. Barter costs are recorded either as marketing expenses or as costs of revenue. The breakdown of costs is dependent upon the nature of the goods or services received by the third party. Although our revenues and related costs will be equal at the conclusion of the barter transaction, the amounts may not be equal in any particular quarter. Barter revenues were approximately 22.4% of revenues for the year ended December 31, 1998 and approximately 17.8% of revenues for the nine months ended September 30, 1999. We anticipate that barter revenues will account for a decreasing percentage of our revenues in the future.

Online Affinity Merchandising Revenues We expect to generate electronic commerce revenues from our recently introduced online affinity merchandising program. These revenues are derived from the sale of products directly by us to our users and, to a lesser extent, from the associated shipping and handling fees. Revenues and cost of goods from the sales of products are recognized at the time of shipment from our warehouse or directly from the supplier. Although revenues from our online affiliate merchandising program have been insignificant to date, we anticipate that these revenues will contribute a greater percentage of our revenues in the future.

Acquisition of PrizePoint In June 1999, we acquired PrizePoint Entertainment Corporation for a total of 1,222,160 shares of common stock and the assumption of an additional 62,040 options exercisable into our common stock. The acquisition was accounted for as a pooling-of-interests.

Pearson Agreement

In January 1999, we entered into an agreement with Pearson Television under which Pearson acquired 1,000,000 shares of our common stock in exchange for intangible assets and for advertising services to be provided over a thirty-month period commencing April 1, 1999 and cash of $124,599. In accounting for the transactions, we have recorded the intangible assets at $16.7 million and the prepaid advertising services at $8.0 million, their estimated fair values. During the nine-month period ended September 30, 1999, amortization of intangible assets totaled $4.5 million and amortization of prepaid advertising services amounting to $390,000 was recorded as advertising expense.

Should Pearson meet discernible television distribution targets between September 1999 and August 2000 for its game shows in the United States, we will issue 200,000 additional shares of our common stock and, if Pearson meets further targets between September 2000 and August 2001, we will issue an additional 200,000 shares of our common stock. We have not included the financial impact of the

issuance of any of the additional shares in our statement of operations for the nine-month period ended September 30, 1999 because we do not, at this time, believe that the achievement of these targets by Pearson is probable since the relevant game shows are not being syndicated by Pearson.

Results of Operations Nine Months Ended September 30, 1999 and 1998 Revenues Revenues for the nine months ended September 30, 1999 increased to $5.3 million from $911,000 for the nine months ended September 30, 1998. The increase in revenues was primarily due to our ability to generate significantly higher advertising and sponsorship revenues, primarily as a result of:

o expanding our sales department;

o increasing the number of impressions available on our sites by adding game shows;

o increasing our number of unique users, which has enabled us to deliver an increased level of advertising impressions; and o increasing our branding and marketing efforts.

During the nine months ended September 30, 1999, we derived revenues of approximately $940,000, or 17.8% of revenues, from barter transactions. During the nine months ended September 30, 1998, we derived $365,000, or 22.0% of revenues, from barter transactions.

In the nine months ended September 30, 1999, only one advertiser, About.com, which accounted for 11.7%, accounted for more than 10.0% of our revenues.

Cost of Revenues. Cost of revenues include:

o Internet connection costs;

o prizes;

o depreciation of equipment and software used to host our sites;

o revenue sharing arrangements relating to our co-branded properties with our strategic alliances; and o costs of goods sold in our affinity merchandising program.

Cost of revenues for the nine months ended September 30, 1999 increased to $1.7 million from $525,000 for the nine months ended September 30, 1998. The increase in cost of revenues was primarily attributable to $574,000 related to expenses associated with prizes, $455,000 related to Internet connection costs and $340,000 related to revenue sharing arrangements, which included a minimum guaranteed payment of $200,000 to Pearson Television. Our gross profit increased to $3.6 million for the nine months ended September 30, 1999 from $386,000 for the nine months ended September 30, 1998.

Operating Expenses

Sales and Marketing. Sales and marketing expenses consist primarily of:

o advertising costs, including the costs of online and print advertisements;

o salaries and commissions for sales and marketing personnel;

o public relations costs;

o referral fees in connection with acquisition of new users through our affiliate program; and o other marketing-related expenses.

Sales and marketing expenses for the nine months ended September 30, 1999 increased to $13.5 million from $1.9 million for the nine months ended September 30, 1998. The increases in sales and marketing expenses were primarily attributable to $8.9 million in advertising, public relations and other promotional expenditures, and $4.0 million in salaries and commissions for sales and marketing personnel. We believe that sales and marketing expenses will continue to increase in absolute dollars for the foreseeable future as we:

o continue our branding strategy;

o continue to expand our direct sales force;

o hire additional marketing personnel; and o increase expenditures for marketing and promotion.

Product Development. Product development expenses include:

o personnel costs for computer software and Web site programmers, designers, editors and project managers;

o fees paid to writers and graphic artists; and o the administrative costs relating to our product development facilities.

Product development expenses for the nine months ended September 30, 1999 increased to $1.7 million from $530,000 for the nine months ended September 30, 1998. The increase in product development expenses was primarily attributable to increased staffing levels required to develop proprietary software components used to create our service. We have, to date, expensed all product development costs as incurred. We believe that increased investments in new and enhanced features and technology are critical to attaining our strategic objectives and remaining competitive. Accordingly, we intend to continue recruiting and hiring experienced product development personnel and to make additional investments in product development. We anticipate that product expenditures will continue to increase in absolute dollars in future periods.

General and Administrative. General and administrative expenses consist primarily of:

o salaries and benefits;

o insurance and recruiting fees;

o costs for general corporate functions, including finance, accounting and facilities; and o fees for professional services.

General and administration expenses for the nine months ended September 30, 1999 increased to $5.1 million from $1.2 million for the for the nine months ended September 30, 1998. The increase was primarily attributable to $1.6 million in professional fees, $970,000 in salaries and benefits associated with hiring of additional personnel and $543,000 in travel related costs.

Twelve Months Ended December 31, 1998, 1997 and 1996 Revenues Revenues increased to $1.6 million for the year ended December 31, 1998 from $349,000 for the year ended December 31, 1997 and from $60,000 for the year ended December 31, 1996. The increase for each period was due primarily to our ability to generate higher advertising and sponsorship revenues. In the year ended December 31, 1998, two of our customers, Yahoo! and Microsoft, each accounted for greater than 10.0% of our revenues. Yahoo! and Microsoft accounted for 20.7% and 11.8% of our revenues, respectively, for the year ended December 31, 1998.

Cost of Revenues

Cost of revenues increased to $760,000 for the year ended December 31, 1998 from $217,000 for the year ended December 31, 1997 and from $41,000 for the year ended December 31, 1996. The increase in our cost of revenues in each period was primarily due to higher costs associated with prizes.

Operating Expenses

Sales and Marketing. Sales and marketing expenses increased to $3.8 million for the year ended December 31, 1998 from $1.1 million for the year ended December 31, 1997 and from $167,000 for the year ended December 31, 1996. The increase for each period was primarily due to an increase in advertising, public relations and other promotional expenditures, and salaries for sales and marketing personnel, and to a lesser extent, barter expenses in the year ended December 31, 1998.

Product Development. Product development expenses increased to $849,000 for the year ended December 31, 1998 from $773,000 for the year ended December 31, 1997 and from $389,000 for the year ended December 31, 1996. The increase for each period was primarily attributable to increased staffing levels required to develop proprietary software components used to create our service and the higher salaries paid to these employees resulting from our relocation of the employees from Budapest to New York.

General and Administrative. General and administrative expenses increased to $2.3 million for the year ended December 31, 1998 from $2.1 million for the year ended December 31, 1997 and from $187,000 for the year ended December 31, 1996. The increase for the year ended December 31, 1997 was due primarily to salaries and benefits associated with hiring additional personnel and for the year ended December 31, 1998 primarily due to higher facilities costs and fees for professional services.

Liquidity and Capital Resources To date, we have primarily financed our operations through the sale of our equity securities. As of September 30, 1999, we had approximately $22.6 million in cash and cash equivalents, an increase of $15.5 from December 31, 1998. Net cash used in operating activities was $631,000, $2.7 million, $5.1 million and $22.2 million for the years ended December 31, 1996, 1997 and 1998 and the nine months ended September 30, 1999, respectively. Net cash used in operating activities resulted primarily from our net operating losses, offset by:

o depreciation and amortization;

o increases in accounts payable and accrued expenses; and o deferred revenues.

Net cash used in investing activities was $109,000, $274,000 and $973,000 for the years ended December 31, 1996, 1997 and 1998, respectively, as we enhanced and developed our technical infrastructure. During the nine months ended September 30, 1999, net cash used in investing activities increased to $2.8 million.

Net cash provided by financing activities was $961,000, $5.1 million, $10.8 million and $40.6 million for the years ended December 31, 1996, 1997 and 1998, and the nine months ended September 30, 1999, respectively. Net cash provided by financing consisted primarily of proceeds from the sale of shares of our common stock. On July 8, 1999, we raised approximately $30.7 million through the issuance of 1,416,000 shares or our common stock which presently trade on EASDAQ. In January 1999, we raised an aggregate of approximately $9.6 million through two private issuances of 521,680 shares of our common stock.

Our principal commitments consist of obligations under capital and operating leases. We expect our capital expenditures will increase significantly in the future as we make technological improvements to our system and technical infrastructure.

We have experienced a substantial increase in our capital expenditures and operating lease arrangements since our inception consistent with the growth in our operations and staffing. We anticipate that this will continue for the foreseeable future. Additionally, we will continue to evaluate possible investments in businesses, products and technologies, and plan to expand our sales and marketing programs and conduct more aggressive brand promotions.

We believe that the net proceeds from this offering, together with our current cash and cash equivalents, will be sufficient to meet our anticipated cash needs for working capital and capital expenditures for at least the next twelve months. If cash generated from operations is insufficient to satisfy our liquidity requirements, we may seek to sell additional equity or debt securities or to obtain a credit facility. The sale of additional equity or convertible debt securities could result in additional dilution to our stockholders. If we issue debt securities, our fixed obligations will increase and we may become subject to covenants that would restrict our operations. We cannot assure you that financing will be available in amounts or on terms acceptable to us, if at all.

Business

Overview

We are a leading online entertainment destination. Through our network of Web sites, we provide online game shows and interactive single- and multi-player games that appeal to a broad audience. Our registered users have grown from 96,000 in January 1998 to 4.7 million in November 1999. Our unique user audience has similarly grown from 1.3 million in November 1998 to 3.5 million in October 1999. Our sites are very sticky, which means that our users consistently spend significantly more time per visit on our sites than the industry average. According to Media Metrix, a leading Internet audience measurement service, in October 1999, our users in the United States spent an average of 15.6 minutes

per usage day on our sites, and we were ranked as the fifth stickiest network of Web sites on the Internet. In addition, we were ranked by Media Metrix among the five stickiest networks in each month during 1999.

We derive substantially all of our revenues from the sale of advertisements on our network of Web sites. Online advertisers typically pay on the basis of the number of advertising impressions shown. The number of impressions is a function of the number of users on our Web sites, the amount of time that they stay on our Web sites, the frequency with which we change our advertising displays and the number of Web sites on our network. We believe that our large user base and the stickiness of our sites provide advertisers with a highly attractive platform to reach their target audience. As a result, the number of advertisers and sponsors on our network has grown from 99 as of December 1998 to 176 as of September 30, 1999. Similarly, the number of advertising impressions served over our Web sites increased from 70.7 million in December 1998 to 261 million in October 1999. Because we attract a large, diversified user base and can segment it based upon information we collect, such as geography, age and gender, we believe we will be able to target advertisements to particular demographic profiles specified by our advertisers.

We believe that our technology platform is integral to maintaining the entertaining and engaging nature of our content. We have made significant investments in developing and implementing a technology platform to support our interactive multi-user game shows and games. We believe that our Web sites are among a few in the world that enable large numbers of users to simultaneously play interactive multi-player game shows and games. Moreover, we have designed our technology platform to easily accommodate our growing user base and to take advantage of emerging technology trends such as alternative access devices, interactive television platforms and broadband distribution services.

Industry Background

The Internet

The Internet has emerged as a mass communications and commerce medium that millions of people worldwide use to share information, communicate and conduct business electronically. International Data Corporation, or IDC, a market research firm, estimates that the number of Internet users worldwide will grow from 142 million in 1998 to 502 million by the end of 2003. The relatively lower costs of publishing content on the Internet and the availability of powerful new tools for the development and distribution of content have led to its rapid growth.

Internet Advertising

The Internet has also become an attractive medium for advertisers. According to Forrester Research, a market research firm, Internet advertising spending worldwide will increase from $1.5 billion in 1998 to $15.3 billion by 2003.

The unique interactive nature of the Internet allows advertisers to:

o reach broad global audiences from anywhere in the world;

o gather demographic information and target their messages to specific groups of consumers;

o change their advertisements frequently in response to market factors, current events and consumer feedback; and o more accurately track the effectiveness of their advertising messages.

Electronic Commerce

The growing adoption of the Internet also represents a significant opportunity to sell goods and services over the Internet. This is commonly referred to as electronic commerce. According to IDC, worldwide consumer electronic commerce revenues are expected to increase from $12.4 billion in 1998 to approximately $75.0 billion in 2003. As electronic commerce grows, companies are expected to increasingly use the Internet to reach their customers.

The Uproar Opportunity As a result of the growing popularity of the Internet, an increasing number of users are looking beyond traditional media, such as radio and television, to the Internet as a source of entertainment.

Game shows are among the most popular and long-lived programs on television in both the United States and worldwide. They were among the first entertainment formats to be successfully adapted to television from radio. Moreover, new game shows are frequently developed and introduced in order to capitalize on the popularity of the format and to draw larger audiences to television. According to Nielsen Media Research, television game shows consistently are among the most popular syndicated television programs. Nielsen estimates that the top five game shows drew an average audience of approximately 6.5 million people per show in the United States during the 1998/1999 television season.

Games and game shows are particularly well suited for online entertainment content, especially with the development of higher bandwidth distribution channels, and can be easily adapted to the Internet. We believe that online games and game shows are a compelling entertainment medium for a mass user audience because they:

o provide users with an opportunity to win prizes;

o allow users to access entertaining content according to their own schedule from any location; and o enable users to participate interactively in the games and game shows and to compete against other users.

Despite the opportunity presented by the widespread adoption of the Internet as a medium for delivering entertainment content to a growing user base, only a limited number of Web sites are currently dedicated to providing a broad array of fun and challenging interactive entertainment. We believe that we can grow our revenues by leveraging our large audience and our engaging content through targeting our advertising placement to specific demographics within our audience in order to attract more advertisers to our network and derive higher CPMs.

The Uproar Network

We are a leading online entertainment destination. Through our network of Web sites, we provide online game shows and interactive single- and multi-player games that appeal to a broad audience. As a result, our registered users have grown to 4.7 million in November 1999. Our unique user audience has

similarly grown to 3.5 million in November 1999. Due to the engaging nature of our game shows and interactive games, our sites are very sticky, which means that our users consistently spend significantly more time per visit on our sites than the industry average. According to Media Metrix, in November 1999 we were ranked third among networks in stickiness, as measured by average minutes per user per usage day spent on our network. We have been ranked among the five stickiest sites by Media Metrix in each month in 1999. Our network consists of the following Web sites:

o uproar.com	o uproar.co.uk	o gamescene.com
o prizepoint.com	o uproar.de	o amused.com
o shopping.uproar.com	o euro.uproar.com	o mentalstate.com

We believe that our success in attracting users and advertisers to date has been due to a number of factors, including:

Our Engaging Online Game Shows and Interactive Games We are committed to providing our user audience with a variety of engaging game shows and interactive games. We are focused on creating formats that we believe will have lasting appeal to a broad-based audience and on adapting to the Internet formats which have proven appeal in other media. We currently provide our audience with eight multi-user games, 36 single-user arcade games and two daily puzzles. We recently launched our online version of the game shows Family Feud and 100%. Pursuant to our agreement with Pearson Television, a leading provider of syndicated television game shows, we have exclusive rights to create online versions of leading Pearson properties, including Family Feud, Match Game, Password and 100%. These game shows have proven to be extremely popular and appeal to a broad audience on television. Our users frequently spend more time on our sites than on a typical Web site. We believe the length of time spent by users on our site, or our site's stickiness, is a validation of the engaging nature of our game and game show formats and is highly appealing to our advertising customers.

Our Large Audience of Registered Users with Targetable Demographics As a result of the mass appeal of our games and game shows, our database of registered users has grown to approximately 4.7 million people as of November 30, 1999. We believe that our broad user base is comprised of a cross section of the general population visiting the Web. We design our games and game shows to attract specific demographic profiles desired by online advertisers. For example, our CNN/SI Trivia Blitz game attracts an audience that is more than 90% male, whereas Picture This attracts a predominately female audience. We expend a substantial amount of time and resources to better understand the demographics of our audience. For example, to receive prizes, contestants must register and provide us with detailed demographic information. We are able to use this registration information to select which advertising will be shown to each individual player during a game. We believe these are important factors in attracting advertisers to our Web sites and improving our CPMs.

Our Cost-Effective Customer Acquisition Strategy and Broad Distribution Channel We have developed a cost-effective channel for the distribution of our game shows and games. Our distribution channel consists of:

o promotional agreements with prominent, high-traffic Web sites;

o affiliate arrangements with other Web sites; and o our relationships with Pearson and Cable & Wireless.

We have entered into promotional agreements with several high-traffic Web sites in order to expand and diversify our user base. Currently, we have alliances with CNN, Internet Movie Database and Lycos. These parties promote our games and game shows on their respective Web sites under revenue sharing arrangements. In these alliances we have created unique, Uproar-branded or co-branded games to appear on the third party's Web site.

We also distribute our single player game content to a variety of Web sites through our affiliate program in order to reach as wide an audience as possible. Under this program, Uproar-branded games are delivered to third-party affiliates and made available on their Web sites free of charge. We typically pay a small referral fee to affiliate sites for each registered user we obtain through their sites. This arrangement provides us with a cost-efficient means of increasing our registered user base by expanding our reach across the Internet. Our affiliate network has grown from 3,200 members as of September 30, 1998 to approximately 31,800 members as of September 30, 1999.

As part of our strategic relationship with Pearson, our site uproar.com is actively promoted to Pearson's television audience through promotional spots and in-show exposure. We have also entered into a relationship with Cable & Wireless under which we will provide content for its developing digital television cable network in the United Kingdom.

In addition to promotional and affiliate relationships, we use extensive television, radio, print and outdoor advertising to reach new users. In October 1999, we began a branding campaign which consisted of television advertising. We incurred significant expenses in connection with our branding campaign and intend to incur significant costs in the future to maintain and expand our user base and brand recognition. However, we believe that our affiliate distribution network will continue to serve as a cost-efficient method of acquiring new users, contributing to lower overall new user acquisition costs.

Our Technology Platform We believe that our technology platform is integral in providing our audience with a rich and engaging entertainment experience. As a result, we have made and expect to continue to make significant investments in developing and implementing a technology platform to support our interactive multi-user game shows and games. We believe that our Web sites are among the few in the world that enable very large numbers of users to simultaneously play interactive multi-player games and game shows. We believe that our technology platform is critical to maintaining the entertaining and engaging nature of our content. Moreover, we have designed our technology platform to accommodate our growing base of users and to take advantage of emerging technology trends such as alternative access devices, interactive television platforms and broadband distribution services.

Our Strategy

Our objective is to be the leading online entertainment destination. We believe we can achieve this objective through the following strategies:

Enhancing Our Content We will seek to enhance our network by adding other entertainment formats in addition to games and game shows that have proven their appeal to a broad audience in traditional media. We believe that providing our users with a richer and more compelling entertainment experience is critical to our future success as more people turn to the Internet as a medium for entertainment. In addition, we intend to continue to enhance our content by improving our existing, and creating new, games and game shows. For example, in 1999 we introduced online versions of two popular television game shows, Family Feud and 100%. We intend to launch online versions of two other popular game shows, Match Game and Password, in 2000. We believe that by enhancing our game and game show content, we will:

o further differentiate our brand from competing sites;

o provide users with a more comprehensive and satisfying entertainment experience; and o attract a broader audience to our Web sites; and o compel our users to visit our sites more often and remain there longer.

In the first quarter of 2000, we intend to launch Uproar 2000. This enhanced version of our current site uproar.com, has a new interface that we believe our users will find more attractive and easier to use. Uproar 2000 incorporates our reward currency, PrizePoints, into all games and game shows.

Aggressively Expanding Our User Audience We intend to continue to aggressively expand our user base by promoting our brand name. We believe that establishing a readily recognizable brand name is critical to attracting a larger user base and deriving additional advertising revenues. We intend to continue to build our brand through:

o extensive Internet, television, print and outdoor advertising;

o additional promotional and syndication opportunities;

o public relations programs; and o new strategic alliances.

We also intend to continue to pursue additional affiliate opportunities to further expand our user base more cost-effectively. We have developed a number of our games for distribution through our affiliate program. We intend to seek similar opportunities continually in order to enlarge the community of Internet users that visit our Web site for entertainment and to increase our revenue opportunities.

Further Monetizing Our Audience and Building Additional Revenue Streams Our large and growing user base provides us with a platform from which we can derive additional revenues. We intend to capitalize on our ability to target our advertising placement to specific demographics within our large audience of users in order to attract more advertisers to our network and to derive higher CPMs and, consequently, higher revenues. In addition, we intend to significantly expand our sales and marketing efforts by hiring additional sales and marketing personnel to reach a larger base of advertisers and sponsors.

We also intend to expand our revenue base beyond advertising to include affinity merchandising. We recently introduced an online store, shopping.uproar.com, that is linked to our new site, Uproar 2000. We sell products that are both appealing to our existing audience and that are differentiated from items

commonly found on other online stores. We currently sell approximately 350 products. We believe our audience will be predisposed to purchase products that complement the entertainment content that we publish. For example, we sell a hand-held Tiger Electronics version of Family Feud, one of our online game shows. We believe that differentiated products will tend to have higher gross profit margins over more readily available products. Therefore, we attempt to select those products that have the most attractive combination of appeal to our audience and gross profit margin opportunities.

Capitalizing on the Popularity of Our PrizePoint Rewards Program Our PrizePoint program rewards our users with points earned by playing online games. Our users can enter their points into a drawing for prizes. The more points a player enters into a drawing, the greater his or her chances to win a prize. We believe that the PrizePoint program significantly enhances the entertainment value of our games and game shows by enabling our users to compete to win points. Moreover, in order to be eligible to receive prizes awarded under the program, our users must complete an online registration form that allows us to better measure the demographics of our user audience and to provide our advertisers with targeted advertising opportunities. We intend to capitalize on the popularity of our PrizePoint reward program by integrating the products and services of our affiliate merchandising partners into our PrizePoint reward system.

Continuing to Expand Internationally We believe that our games and game shows will be popular in international markets. In December 1998, we launched our local Web site in Germany in cooperation with Bertelsmann, a leading German media company, which features game shows and puzzles in German. We also own and operate a Web site designed for the United Kingdom market. In February 1998, we launched our euro.uproar.com, which provides game content in 14 languages. Combined, these sites provide local language content in a number of European countries, including Austria, Belgium, Denmark, Holland, Finland, France, Germany, Italy, Luxembourg, Norway, Portugal, Spain, Switzerland and Sweden.

We recently entered into an exclusive distribution and co-branding agreement with Telefonica Interactiva, a leading provider of Internet access and local content and services in the Spanish- and Portuguese-speaking world. Under the agreement, our co-branded site will be the exclusive game content provider of the Telefonica site, including the Terra Network sites. The agreement is for a period of three years and provides for the payment of certain minimum fees to us. We believe that our relationship with Telefonica provides us with a unique opportunity to expand into the Spanish- and Portuguese-speaking markets, including Spain, Brazil, Mexico, Chile and Peru.

We believe that introducing localized versions of our games and game shows will provide us with many of the same opportunities for revenue as those in the United States. We intend to continue to create localized games and game shows in international markets.

Pursuing Strategic Acquisitions and Alliances We plan to continue to expand our user base, revenues and competitive position through strategic acquisitions and alliances. In 1999, we acquired PrizePoint, which offers single-player games of skill and chance in which players compete to win points that can be

entered into drawings for prizes. In 1999, we also entered into a strategic alliance with Pearson Television to enhance the breadth of our content, and a strategic alliance with Telefonica Interactiva to expand our reach into the Spanish- and Portuguese-speaking markets.

We believe that these acquisitions and alliances have significantly enhanced our presence in our markets and have enabled us to reach a broader base of users and advertisers. We intend to aggressively seek other opportunities to acquire or form alliances with other companies that will complement our network.

Alliances and Strategic Relationships We have entered into a number of contracts that forge alliances and strategic relationships designed to enhance and expand our brand name, promote our Web sites, provide us with high quality, brand-identified new content and create new revenue opportunities. These agreements are summarized below.

Pearson Television, Inc. We entered an agreement with Pearson Television in January 1999 that provides us with exclusive rights to create and produce English language online versions of Pearson's game shows Family Feud, Match Game, Password and 100%. These rights expire in September 2001, at which time Pearson has an option to renew the contract for an additional three years. In addition, Pearson may terminate the agreement if Mr. Simon, our Chief Financial Officer, is not employed by us in a senior management capacity. For the term of the agreement, Pearson will provide advertising and promotion for uproar.com on the United States syndicated versions of these games, consisting of:

o inclusion of a 10-second commercial at the end of each of the television game shows;

o mention of uproar.com at the close of each television program;

o inclusion of uproar.com in the closing credits of each of the television programs; and o inclusion of uproar.com in all written sales materials, press advertising, press kits and media guides.

In 1999, we introduced online versions of two of Pearson's popular television game shows, Family Feud and 100%. We intend to launch online versions of two other popular television game shows, Match Game and Password, in 2000.

Telefonica Interactiva. In November 1999, we entered into an exclusive distribution and co-branding agreement with Telefonica Interactiva, a leading provider of Internet access and local-language content and services in the Spanish- and Portuguese-speaking world. Under the agreement, a co-branded Spanish and Portuguese site will become the exclusive game content provider on the Telefonica Web site including the Terra Network sites. In addition, Telefonica plans to incorporate our PrizePoint rewards program into our co-branded site, as well as its offline activities. We believe that our agreement with Telefonica will significantly enhance our international presence by expanding our reach into the Spanish- and Portuguese-speaking markets served by Telefonica, including Spain, Brazil, Mexico, Chile and Peru.

Cable and Wireless Communications. Pursuant to our agreement with Cable and Wireless Communications, we developed custom multi-player games for the Cable and Wireless interactive digital television network that was launched in the United Kingdom in October 1999. The agreement

was signed in December 1998 and is in effect for a period of three years. We expect to create a number of new games during the term of this agreement. We share the net revenues generated by the games with Cable and Wireless.

CNN. In September 1998, we entered an agreement with CNN to produce co-branded trivia games that are distributed on cnn.com. We update the games daily with questions based on current news and events. CNN promotes the games with links from its home page, and receives a small referral fee from Uproar for each new registered user the games generate. The agreement is currently on a month-to-month basis.

Game and Game Show Programming We launched uproar.com, our flagship entertainment site for the United States market in September 1997. Since then, we have been focused on expanding the offerings available on our site with programming designed to appeal to broad audiences and encourage them to remain on the site for longer periods of time than users typically spend on other Internet sites. We believe that our site provides an attractive platform for our advertisers to reach their desired target demographics. In November 1999, Media Metrix reported that Uproar was the fifth stickiest network, reaching over 3.5 million unique visitors in that month. According to Media Metrix, in October 1999, the median age of these visitors was 32, of whom 43% were male and 57% were female.

In December 1999, we began introducing a preview of our new version of uproar.com, called Uproar 2000. By introducing our PrizePoint incentive currency, we believe we will improve our ability to attract, retain and monetize a growing Internet audience. We currently plan to direct all of our traffic to our new site, Uproar 2000, during the first quarter of 2000. The following is a description of some of the available programming on our network of Web sites.

Multi Player Games

Family Feud is a game produced by us under license from Pearson Television and is designed to replicate many of the elements of the popular television game show bearing the same name. We launched Family Feud in December 1999. The game integrates graphics and sounds that are reminiscent of the television show. Players are given the opportunity to match their responses to questions against those provided by survey respondents. Players compete to be listed on a leader board and are ultimately rewarded for accurate responses with PrizePoints.

Bingo Blitz is our version of the classic bingo game. Bingo Blitz allows participants to compete against thousands of other players for prizes. Each player is provided with three bingo cards to mark. The first player to submit a card with the correct pattern covered wins a prize. Prizes range in value from $2.00 to $25.00. We believe that the game's animated graphics and the user's ability to earn prizes further enhance its entertainment value.

Blow Out Bingo is a variation of bingo in which the prize offered is progressively increased after each game that does not have a winner. As the prize grows, it tends to attract additional players. Once we award a winner, the prize is returned to its starting amount and the process starts again.

Premier Bingo is another variation of bingo in which different prizes are offered depending on the ball in the sequence in which a winner achieves bingo. The earlier in the game a player achieves bingo, the more valuable the prize. There are five variations of Premier Bingo with prizes falling in specific categories: finance, home and family, computers, travel and consumer electronics. We believe that each form of Premier Bingo attracts a different user demographic. We therefore target advertising based on the type of Premier Bingo a user is playing.

Puzzle A-Go-Go is a version of the popular game, "hangman," which has been enhanced for multi-player competition. This game show format was launched in December 1997. Players compete in groups of three in real time to guess letters in a hidden phrase. The first player to identify the phrase wins the game. Winners are eligible for prizes that are typically given away each hour.

Picture This is a game combining popular culture trivia and images of celebrities. Participants compete against one another in groups of five within a virtual living room. As players answer questions, portions of a celebrity's image are gradually revealed. The first player to correctly identify the name of the celebrity wins. Picture This was originally launched in December 1997 as a co-branded and co-promoted product with People Magazine. Currently, we exclusively own and operate the game show.

Single Player Games

We publish a wide selection of single-user games ranging from crossword puzzles to arcade games. These games are designed to provide an alternative to our multi-user games and enhance the overall scope of entertainment that we provide to our users. As of November 30, 1999, there were 36 different single-user and arcade games and two daily puzzles available on our Web sites. We create, develop, and own most of these games, while we license others from third parties. We created the arcade games such as Fill-It, Battle Rocks, and Laser Wheel that are available on prizepoint.com. We license 12 games from the Clevermedia Network that we publish on our site gamescene.com.

Humor

Amused.com is a site featuring humor, entertainment and links to third-party Web sites. Subtitled the Center for the Easily Amused, CNN has referred to it as the "ultimate guide to wasting time." Amused.com features chat rooms, trivia, and online anecdotes, some of which are contributed by the visitors to the site. This site is designed to attract a younger audience than our other sites, and we believe it offers advertisers an opportunity to target teens and college students.

Affiliate Programming We launched Trivia Blitz in August 1997 as a game to be distributed by third-party Web sites. Approximately 31,800 sites have joined our affiliate network. Trivia Blitz promotes the Uproar brand and attracts new players to our sites. We publish a variety of Trivia Blitz games with editorial content in subjects including general trivia, sports, popular music, and current news and events. We also publish Trivia Blitz games in Spanish, German, Danish, and Italian to serve some of our international markets. Players that do well in the Trivia Blitz games are encouraged to register with us in order to qualify for prize drawings. If a player registers, we pay the affiliate partner a small referral

fee, which serves as a revenue source for the partner. We believe our affiliate program offers third-party Web sites an attractive combination of engaging content and a revenue opportunity, while providing us with registered users at low cost.

PrizePoints

Players earn points called "PrizePoints" on our Uproar 2000 and prizepoint.com sites. Players can accumulate PrizePoints over time and use them to enter drawings to win prizes and cash. The larger the number of PrizePoints that a player enters into a particular drawing, the greater the player's chances of winning the drawing. We consider PrizePoints an incentive currency in a manner that is similar to airline frequent flyer points. Uproar players have an incentive to earn, collect and accumulate PrizePoints. We believe that our users will consistently return to our sites to try to accumulate additional PrizePoints. In addition, we can alter the rate at which PrizePoints are awarded to encourage behavior on our sites that improves the commercial performance of the site.

We initially awarded PrizePoints only on our site, prizepoint.com. In December 1999, we expanded our PrizePoint program to include Uproar 2000. We intend to further expand this program and award PrizePoints on all of our properties, including our international Web sites. In addition, we intend to award PrizePoints in our affiliate network games.

International Programming Uproar.co.uk is our Web site for the United Kingdom market. Launched in September 1997, the Web site offers sites that are essentially the same as our United States site, but the content is selected with consideration for United Kingdom cultural and language differences. As in the United States, players compete in a variety of game shows for fun and cash prizes.

Uproar.de, our German language site, was launched in December 1998 in cooperation with Bertelsmann. This relationship allowed us to expand rapidly into the German market. Today, we independently own and operate uproar.de. Uproar.de features the multi-player game shows Mission Brain Attack and Berti's Buro, plus three versions of the Trivia Blitz application. The games are designed to match the cultural and language requirements of the German-language audience.

Euro.uproar.com offers Bingo Blitz in 11 languages and offers our audience the opportunity to play against a worldwide player base.

Affinity Merchandising and Electronic Commerce We recently introduced an online store, shopping.uproar.com, that is linked to our Uproar 2000 site. We strive to sell products that are both appealing to our existing audience and are differentiated from items commonly found on other online stores. We currently sell approximately 350 products selected by our internal team of merchants. We believe our audience will have a preference for products that complement our entertainment content. For example, we sell a hand-held Tiger Electronics version of Family Feud, one of our online game shows. We believe that differentiated products will tend to have higher gross margins in the future over more readily available products. Therefore, we attempt to select those products that have the most attractive combination of appeal to our audience and higher gross margin opportunities.

We have a contract with Digital River to build and operate the online store. We select the products sold on our store and have approval over the look and feel of shopping.uproar.com. Digital River's systems, however, are used to implement searching, shopping cart functions and customer electronic mail notifications on the site. In addition, Digital River's systems are used to communicate to a third-party credit card processing service and to our warehousing facility. Digital River also runs a customer service center on our behalf that operates 24 hours, seven days a week. The customer service center is accessible via electronic mail and a toll-free telephone line. Under our agreement, we pay Digital River a fee per transaction processed.

We take title and warehouse the majority of the items that we sell on shopping.uproar.com. We have a contract with DSS to supply us with warehousing facilities. DSS handles all aspects of operating the warehouse, including accepting shipments from our suppliers, downloading orders electronically from Digital River and packing products for shipment to our customers.

Advertising Sales

As of November 30, 1999, we had a sales organization of 32 professionals in the United States and two professionals in the United Kingdom.

Sales Organization

Our sales organization is dedicated to maintaining close relationships with top advertisers and leading advertising agencies. It is structured on a regional basis and is focused solely on selling advertising on our Web sites. Our sales organization consults regularly with advertisers and agencies on design and placement of their Web-based advertising, provides customers with advertising measurement analysis and focuses on providing a high level of customer service satisfaction.

Advertising Programs and Products Currently, we enter into agreements with our advertisers and advertising agencies under which they pay for a guaranteed number of impressions for a fixed fee. These agreements range from one month to one year. Advertising on our Web sites currently consists primarily of banner-style advertisements, buttons and sponsorships from which viewers can connect directly to the advertiser's own Web site. Our standard CPMs for banner advertisements varies depending on the location of the advertisements on the site and the extent to which the advertisements are targeted to a particular audience.

We also offer our advertising customers other direct marketing and advertising solutions in order to build brand awareness, generate leads and drive traffic to an advertiser's site. These include newsletter sponsorships, opt-in electronic mail programs under which users must affirmatively check a box to indicate interest, and fixed-fee game sponsorships, Advertisers We had 176 advertisers and sponsors on our Web sites during the nine months ended September 30, 1999. The following is a selected list of our current advertising customers, which are representative of our customer base:

About.com	Disney	Gillette	MSN
Ask Jeeves	eHow	Golden Palace	MyPoints
CoolSavings.com	FreeShop.com	Mail.com	

These advertisers, in the aggregate, accounted for approximately 39.0% of total revenues in the nine months ended September 30, 1999 and 8.0% of total revenues for the year ended December 31, 1998.

Marketing and Brand Awareness We use multiple advertising media like television, print and Web-based advertising in order to:

o build our brand;

o increase traffic; and o raise our profile among potential advertisers.

Our television advertisements have appeared on broadcast television in several large markets in the United States, including New York, San Francisco, Chicago and Los Angeles. In addition to advertising on television, we advertise in print, use outdoor advertising and have a significant presence in targeted online media. We also have an extensive public relations campaign. Our strategic and content partners also typically provide us with advertising support.

Technology and Infrastructure We maintain a 27-member technical staff in New York. This technical staff is responsible for developing our Web sites and game programming and for managing the distribution of our content through our domestic Web sites. We also maintain a 24-member technical staff in Budapest, Hungary. The Budapest technical team is responsible for providing international support for our content, as well as developing country-specific content and managing the technical infrastructure for our international Web sites.

Our technical staff strives to create a comfortable and compelling user experience for as large an audience of visitors as possible. This involves developing reliable, secure, and scalable Web sites using industry-standard technologies. Our game content and certain elements of our server systems use the Java programming language. We also make extensive use of Microsoft Web server technology, as well as the Windows NT Server operating system.

Some of our most popular interactive games involve simultaneous, multi-player activity. In order to create a seamless user experience in this type of environment, we have developed a highly scalable, distributed server system capable of delivering real time interactivity between a large number of simultaneous users in a multi-player environment.

Our business is based on the delivery of banner advertising within pages viewed by users of our Web sites and our advertising customers require timely and accurate reporting of actual advertising delivered on our sites. We have contracted with AdForce, Inc. to serve our advertising and provide the corresponding reporting.

We distribute our programming from data centers in New York and London. We are currently expanding our data center operations to include a facility in California. Our domestic data centers are operated at facilities provided by Level 3 Communications and Digital Telemedia. Our data center in London is operated at facilities provided by PSI Net.

Competition

Many companies provide Web sites targeted to audiences seeking various forms of entertainment content. We compete with all of these companies for visitor traffic, advertising dollars and electronic commerce. This competition is intense and is expected to increase significantly in the future as the number of entertainment-orientated Web sites continues to grow. Our success will be largely dependent upon the perceived value of our content relative to other available entertainment alternatives, both online and elsewhere. The online entertainment market does not have substantial barriers to entry. Increased competition could result in:

o lower advertising rates;

o price reductions and lower profit margins;

o loss of visitors;

o reduced ad impressions; and o loss of market share.

Any one of these could materially adversely affect our business, results of operations and financial condition.

Our ability to compete successfully depends on many factors. These factors include:

o the quality of the content provided by us and our competitors;

o how easy our services are to use compared to those of our competitors;

o the success of our sales and marketing efforts; and o the performance of our technology.

Our primary direct competitors for online game shows and similar entertainment include Gamesville/Lycos, Mplayer.com, Sony Station, Pogo and Zone.com. Some of our competitors maintain game show style formats similar to those offered by us. Sony Station, for example, currently has the exclusive right to the online versions of the television game shows Jeopardy and Wheel of Fortune and the board game Trivial Pursuit. Other competitors primarily offer "extreme" games similar to many arcade and video games. We do not actively participate in that segment of the market. Many competitors offer a wide variety of online single-player games.

We also compete indirectly with many providers of content and services over the Internet, including search engines and entertainment content sites.

Some of our competitors and potential new competitors have:

o longer operating histories;

o greater name recognition in some markets; and o significantly greater financial and marketing resources.

These competitors may also be able to undertake more extensive marketing campaigns for their brands and services, adopt more aggressive advertising pricing policies, use superior technology platforms to deliver their products and services and make more attractive offers to potential employees, distribution partners, product manufacturers, inventory suppliers, advertisers and third-party content providers. Our competitors may develop content that is better than ours or that achieves greater market

acceptance. It is also possible that new competitors may emerge and acquire significant market share. This could also have a material adverse effect on our business, results of operations and financial condition.

We also compete with traditional forms of media, like newspapers, magazines, radio and television for advertisers and advertising revenue. If advertisers perceive the Internet or our Web site to be a limited or an ineffective advertising medium, they may be reluctant to devote a portion of their advertising budget to our Web sites.

Government Regulation and Legal Environment General. There are an increasing number of laws and regulations pertaining to the Internet. In addition, a number of legislative and regulatory proposals are under consideration by federal, state, local and foreign governments and agencies. Laws or regulations may be adopted with respect to the Internet relating to liability for information retrieved from or transmitted over the Internet, online content regulation, user privacy, taxation and quality of products and services. Moreover, the applicability to the Internet of existing laws governing issues such as intellectual property ownership and infringement, copyright, trademark, trade secret, obscenity, libel, employment and personal privacy is uncertain and developing. Any new legislation or regulation, or the application or interpretation of existing laws, may decrease the growth in the use of the Internet, which could in turn decrease the demand for our services, increase our cost of doing business or otherwise have a material adverse effect on our business, results of operations and financial condition.

Liability for Information Retrieved from Our Web sites and from the Internet. Content may be accessed on any of our Web sites or on the Web sites of our affiliates, and this content may be downloaded by users and subsequently transmitted to others over the Internet. This could result in claims against us based on a variety of theories, including defamation, obscenity, negligence, copyright or trademark infringement or other theories based on the nature, publication and distribution of this content. These types of claims have been brought, sometimes successfully, against providers of Internet services in the past. We could also be exposed to liability with respect to third-party content that may be posted by users in chat rooms offered on our Web sites. It is also possible that if any information provided on our Web sites contains errors or false or misleading information, third parties could make claims against us for losses incurred in reliance on such information. Our sites contain numerous links to other Web sites. As a result, we may be subject to claims alleging that, by directly or indirectly providing links to other Web sites, we are liable for copyright or trademark infringement or the wrongful actions of third parties through their respective Web sites.

The Communications Decency Act of 1996 (the "CDA") was enacted in the United States to prohibit the transmission over the Internet of indecent, obscene or offensive content. Although selected parts of the CDA have been deemed unconstitutional, provisions protecting providers of Internet services from claims related to third-party content remain effective. Under the CDA, a provider of Internet services will generally not be treated as a publisher or speaker of any information available on its service but provided by a third-party content provider unless the provider of Internet services exerts editorial control over the content or embraces the content as its own. Our activities may not permit us, in every

instance, to take advantage of this safe harbor provision. Although we attempt to reduce our exposure to this potential liability through, among other things, provisions in our affiliate agreements, user policies and disclaimers, the enforceability and effectiveness of such measures are uncertain.

Our general liability insurance may not cover all potential claims to which we are exposed and may not be adequate to indemnify us for all liability that may be imposed. Any imposition of liability that is not covered by insurance or is in excess of insurance coverage could have a material adverse effect on our business, results of operations and financial condition. Even to the extent that these claims do not result in liability to Uproar, we could incur significant costs in investigating and defending against these claims. Potential liability for information disseminated through our Web sites could lead us to implement measures to reduce its exposure to such liability, which may require the expenditure of substantial resources and limit the attractiveness of our service to users.

Online Content Regulations. Several United States federal and state statutes prohibit the transmission of indecent, obscene or offensive content over the Internet to particular groups of persons. The enforcement of these statutes and initiatives, and any future enforcement activities, statutes and initiatives, may result in limitations on the type of content and advertisements available on our Web sites. Legislation regulating online content could dampen the growth in use of the Internet generally and decrease the acceptance of the Internet as an advertising and electronic commerce medium.

Legislation Prohibiting Online Gambling. Congress is currently considering legislation that seeks to ban Internet gambling activities. One pending bill has already been approved by the Senate and would prohibit a gambling-related business from using the Internet to facilitate wagering. If enacted into law in its current form, the bill would likely subject those who display advertising for unlawful Internet gambling sites to criminal penalties. We do not engage in gambling activities ourselves but we do accept advertising from online gambling sites. For the nine months ended September 30, 1999, 18.6% of our revenues were derived from gambling sites. If these sites are outlawed or substantially curtailed, our business could suffer. The pending legislation may impose liability on United States companies that are deemed to assist in the operation of offshore illegal gambling sites. Although we do not believe that such legislation would apply to us, and that we would take all reasonable measures to comply with such legislation, it is possible that we could be deemed liable and would have to pay civil or criminal penalties.

Regulation of Sponsors of Contests and Sweepstakes. Contests and games of chance are subject to the gambling, lottery and disclosure laws of various jurisdictions in which we offer our contests and games.

Although we have been advised by counsel that our contests and games are in compliance with the laws of all jurisdictions in which we offer them, the laws or the way they are interpreted and enforced may change from market to market. A game sponsor, for example, cannot require the consumer to make a payment, buy its product or provide a substantial benefit, collectively called "consideration," as a condition of entering its game of chance, or in some instances, its contest of skill. If consideration were interpreted differently in a particular jurisdiction, we may find it necessary to eliminate, modify or cancel certain components of our products that could result in additional development costs and/or the possible loss of revenue.

Privacy Concerns. The United States Federal Trade Commission ("F'TC") is considering adopting regulations regarding the collection and use of personal identifying information obtained from individuals when accessing Web sites, with particular emphasis on access by minors. These regulations may include requirements that companies establish procedures to, among other things:

o give adequate notice to consumers regarding information collection and disclosure practices;

o provide consumers with the ability to have personal identifying information deleted from a company's database;

o provide consumers with access to their personal information and with the ability to rectify inaccurate information;

o clearly identify affiliations or a lack thereof with third parties that may collect information or sponsor activities on a company's Web site; and o obtain express parental consent prior to collecting and using personal identifying information obtained from children under 13 years of age.

These regulations may also include enforcement and redress provisions. Moreover, our business model is in part based upon our ability to obtain registration information about our users and to use this information for targeted advertising. If new regulations are adopted that limit or eliminate our ability to use this information, our business, results of operations and financial condition could be materially adversely affected. Even in the absence of these regulations, the F'TC has begun investigations into the privacy practices of companies that collect information on the Internet. The F'TC's regulatory and enforcement efforts alone may adversely affect the ability to collect demographic and personal information from users, which similarly could have an adverse effect on our ability to provide highly targeted opportunities for advertisers.

It is also possible that "cookies," or information keyed to a specific server, file pathway or directory location that is stored on a user's hard drive, possibly without the user's knowledge, which are used to track demographic information and to target advertising, may become subject to laws limiting or prohibiting their use. A number of Internet commentators, advocates and governmental bodies in the United States and other countries have urged the passage of laws limiting or abolishing the use of cookies. Limitations on or elimination of our use of cookies could limit the effectiveness of our targeting of advertisements, which could have a material adverse effect on our business, results of operations and financial condition.

The European Union has adopted a directive that imposes restrictions on the collection and use of personal data. Under the directive, EU citizens are guaranteed rights to access their data, rights to know where the data originated, rights to have inaccurate data rectified, rights to recourse in the event of unlawful processing and rights to withhold permission to use their data for direct marketing. The directive could, among other things, affect companies that collect information over the Internet from individuals in EU member countries, and may impose restrictions that are more stringent than current Internet privacy standard in the United States. In particular, companies with offices located in EU countries will not be allowed to send personal information to countries that do not maintain adequate

standards of privacy. The directive does not, however, define what standards of privacy are adequate. As a result, the directive may adversely affect our activities because we engage in data collection from users in EU member countries.

Data Protection. Legislative proposals have been made by the United States government that would afford broader protection to owners of databases of information such as stock quotes and sports scores. This protection already exists in the EU. If enacted, this legislation could result in an increase in the price of services that provide data to Web sites and could create potential liability for unauthorized use of this data. Either of these possibilities could have a material adverse effect on our business, results of operations and financial condition.

Internet Taxation. A number of legislative proposals have been made at the United States federal, state and local level, and by certain European governments, that would impose additional taxes on the sale of goods and services over the Internet and certain states have taken measures to tax Internet-related activities. Although the United States Congress recently placed a three-year moratorium on state and local taxes on Internet access or on discriminatory taxes on electronic commerce, existing state or local laws were expressly excepted from this moratorium. Further, once this moratorium is lifted, some type of federal and/or state taxes may be imposed upon Internet commerce. This legislation, or other attempts at regulating commerce over the Internet, may substantially impede the growth of commerce on the Internet and, as a result, materially adversely affect our opportunity to derive financial benefit from those activities.

Domain Names. Domain names are Internet "addresses." The current system for registering, allocating and managing domain names has been the subject of litigation, including trademark litigation, and of proposed regulatory reform. We have registered several domain names. We may seek to register additional domain names, although there is no assurance we will successfully obtain the registrations and third parties may bring claims for infringement against us for the use of any of our domain names or other trademarks. Our domain names may lose their value, or we may not have to obtain entirely new domain names in addition to or in lieu of its current domain names if reform efforts result in a restructuring in the current system.

Jurisdictions. Due to the global nature of the Internet, it is possible that, although our transmissions over the Internet originate primarily in the United States and the United Kingdom, the governments of other states and countries might attempt to regulate our transmissions or prosecute us for violations of their laws. These laws may be modified, or new laws enacted, in the future. Any of these developments could have a material adverse effect on our business, results of operations and financial condition. In addition, as our service is available over the Internet in multiple states and countries, these jurisdictions may claim that we are required to qualify to do business as a foreign corporation in each of these states or countries. We are qualified to do business only in Delaware, New York, California, the United Kingdom and Hungary, and our failure to qualify as a foreign corporation in a jurisdiction where we are required to do so could subject us to taxes and penalties and could result in our inability to enforce contracts in those jurisdictions. Any new legislation or regulation, the application of laws

and regulations from jurisdictions whose laws do not currently apply to our business, or the application of existing laws and regulations to the Internet and other online services could have a material adverse effect on our business, results of operations and financial condition.

Intellectual Property and Proprietary Rights We do not currently maintain patents on our technology and others may be able to develop similar technologies in the future. We regard our copyrights, service marks, trademarks, trade secrets and other intellectual property as critical to our success. We rely on trademark and copyright law, trade secret protection and confidentiality and/or license agreements with our employees, customers, partners and others to protect our intellectual property rights. Despite our precautions, it may be possible for third parties to obtain and use our intellectual property without authorization. Furthermore, the validity, enforceability and scope of protection of intellectual property in Internet-related industries is uncertain and still evolving.

We are pursuing the registration of our trademarks in the United States, Germany, Italy, Norway, Sweden and the United Kingdom. We may not be able to secure adequate protection for our trademarks in the United States and other countries. To date, we do not believe that any oppositions have been filed.

We also currently hold trademark registrations in the United States, United Kingdom, Germany, Sweden, Norway, Finland, Denmark and Iceland. Effective trademark protection may not be available in all the countries in which we conduct business. Policing unauthorized use of our marks is also difficult and expensive. In addition, it is possible that our competitors will adopt product or service names similar to ours, thereby impeding our ability to build brand identity and possibly leading to customer confusion.

We currently license an advertising serving system from AdForce. This system delivers and tracks advertising impressions and click-throughs in all of our Web sites. If the AdForce system is no longer available or our license is terminated, we would be likely to suffer a disruption in our business, which could materially adversely affect our results of operations. In addition, a replacement system could be costly to license and install.

Our inability to effectively protect our trademarks and service marks would have a material adverse effect on our business, results of operations and financial conditions. We also intend to continue to license technology from third parties. The market in which we operate is continually and rapidly evolving, and we may need to license additional technologies to remain competitive. In addition, we may fail to successfully integrate any licensed technology into our services. Our inability to obtain any of these licenses could delay product and service development until alternative technologies can be identified, licensed and integrated.

Employees

As of September 30, 1999, we had 144 full-time employees, of whom 26 worked in sales, 20 in marketing, 75 in production and technology; 4 in merchandising; and 19 in finance and administration. Of these employees, 100 are primarily resident in the United States and 44 in Europe.

From time to time, we employ independent contractors to support our research and development, marketing, sales and editorial departments. None of our personnel are represented under collective bargaining agreements. We consider our relations with our employees to be good.

Facilities

Our executive offices are located in approximately 29,000 square feet of office space in New York, under a lease that expires in August 2005. We also lease approximately 8,900 square feet of office space in San Francisco under a lease that expires in November 2004 and approximately 6,300 square feet of office space in Budapest under a lease that expires in October 2001, unless we choose to extend it to October 2003. In addition, we lease small sales offices in London, Chicago and Los Angeles.

Legal Proceedings

Uproar Inc., a New York corporation and one of our wholly-owned subsidiaries, was named in an action "Burgos v. Ellwell Associates, LLC and E-Pub Inc." relating to an alleged personal injury. E-Pub Inc. is the former name of Uproar Inc. This case is currently in the discovery stage and a trial date has not yet been set. There is a motion pending with respect to our potential liability to our co-defendant, Ellwell Associates.

Management

Directors and Executive Officers The following table sets forth our directors, executive officers and other key employees, their ages and the positions held by them:

Name Age Position

Kenneth D. Cron	43	Chairman of the Board of Directors and Chief Executive Officer
Christopher R. Hassett	37	President, Chief Operating Officer and Director
Michael K. Simon	34	Chief Financial Officer and Director
Francis G. Blot	37	Executive Vice President, Product Marketing
Shannon King	43	Executive Vice President, Merchandising
Robert D. Marafioti	52	Executive Vice President, General Counsel and Secretary
Jeffrey L. Strief	44	Executive Vice President, Marketing and Sales
Thompson B. Barnhardt	35	Director
Esther Dyson	48	Director
Catherine V. Mackay	32	Director

Kenneth D. Cron joined us as our Chief Executive Officer and as a director in September 1999. In December 1999, Mr. Cron was appointed the Chairman of our board of directors. From September 1978 to June 1999, Mr. Cron worked at CMP Media where, as the President of Publishing, he had responsibility for the company's United States businesses, including its print publications, trade show conferences and online services. He was also a director of CMP Media. Mr. Cron earned a B.A. from the University of Colorado.

Christopher R. Hassett joined us as our President, Chief Operating Officer, and as a director in July 1999, subsequent to our acquisition of PrizePoint Entertainment. Mr. Hassett was PrizePoint's co-founder and Chief Executive Officer from March 1998 to June 1999. Prior to that, Mr. Hassett founded

Pointcast, serving as its Chairman and Chief Executive Officer from November 1992 to October 1997. In 1996, Mr. Hassett was recognized as Business Week's entrepreneur of the year and as C Net's person of the year. Mr. Hassett earned a B.S. in electrical engineering from the University of Lowell.

Michael K. Simon is our founder. He was the Chairman of our board of directors from July 1999 to December 1999 and served as our Chief Executive Officer from February 1995 to September 1999. Since November 1999, Mr. Simon has served as our Chief Financial Officer. Prior to founding Uproar, Mr. Simon was the Managing Director of Ablaksoft Kft., a Hungarian software company, from April 1993 to February 1995. He earned an M.B.A. from Washington University in St. Louis and a B.S. in Electrical Engineering from the University of Notre Dame.

Francis G. Blot joined us as our Executive Vice President, Product Marketing, in July 1999, subsequent to our acquisition of PrizePoint Entertainment. Mr. Blot co-founded PrizePoint in March 1998 and served as its Vice President of Marketing from March 1998 to June 1999. From June 1994 to March 1998, Mr. Blot was Vice President of Business Development at Pointcast, where he was responsible for, among other things, its electronic commerce business. Prior to that, Mr. Blot worked in business and product development positions for Prodigy for nearly seven years. Mr. Blot earned a B.S. in electrical engineering from SUNY Utica.

Shannon King joined us as our Executive Vice President of Merchandising in August 1999. From April 1984 to August 1999, Ms. King served as Executive Vice President of Merchandising for The Sharper Image, where she was responsible for all merchandising for that company's 85-store retail chain, catalog and wholesale business. Ms. King earned a Master's in international business from the American Graduate School of International Management and a B.A. in international business and politics from the University of Colorado.

Robert D. Marafioti joined us in October 1999 as Executive Vice President, General Counsel and Secretary. From October 1988 through June 1999, he worked for CMP Media, where he served as Executive Vice President, General Counsel and Secretary. Mr. Marafioti received a B.A. from Yale University and a J.D. from Columbia School of Law.

Jeffrey L. Strief joined us as our Executive Vice President of Marketing and Sales in October 1999. From May 1985 to June 1999, Mr. Strief worked for CMP Media, where he served as Executive Vice President of the Business Technology Group with responsibility for InformationWeek and other technology publications and Internet services. Mr. Strief earned a B.A. in marketing from California State University Fullerton.

Thompson B. Barnhardt joined our board of directors in February 1995. Since November 1999, he has been President of BiznesPolska.pl, an Internet publishing company. From June 1994 to October 1999, Mr. Barnhardt was President of New World Publishing, Inc., a publisher of several English-language business journals in Central Europe. Mr. Barnhardt earned an M.B.A. from the University of Virginia Darden Graduate School of Business Administration and a B.A. in economics from the University of Virginia.

Esther Dyson joined our board of directors in April 1997. Ms. Dyson has been the Chairman of EDventure Holdings, publisher of the newsletter Release 1.0, since 1983. She is the author of Release 2.0, an acclaimed book about cyberspace. Ms. Dyson is a director of four software companies: Graphisoft, Languageware.net, Scala Business Solutions and Thinking Tools. She is also a director of Medscape, a healthcare Web site, PRT Group, a systems integrator, and WPP Group, a multimedia company. Ms. Dyson holds a B.A. from Harvard College.

Catherine V. Mackay joined our board of directors in September 1999 as the result of our agreement with Pearson Television. She has worked for Pearson Television Enterprises since March 1995 in various capacities. Ms. Mackay is currently President of Pearson Television Enterprises, the division of Pearson Television that operates all of its Internet, interactive television, merchandising and music publishing activities. Prior to joining Pearson Television Enterprises, Ms. Mackay worked for Cie Generale des Eaux, from January 1994 to August 1995. Ms. Mackay earned an M.B.A. from INSEAD and a B.A. from Oxford University.

Composition of the Board of Directors Our board of directors currently consists of six members, three of whom are independent. We will appoint two independent directors to each of our audit and compensation committees within 60 days after the completion of this offering.

Board Committees

The audit committee of the board of directors reviews, acts on and reports to the board of directors with respect to various auditing and accounting matters, including the recommendation of our auditors, the scope of the annual audits, fees to be paid to the auditors, the performance of our independent auditors and our accounting practices.

The compensation committee of the board of directors recommends, reviews and oversees the salaries, benefits, and stock option plans for our employees, consultants, directors and other individuals compensated by us. The compensation committee will also administer our compensation plans.

Director Compensation In the past, we have compensated our directors with stock options from time to time. As of September 30, 1999, options to purchase 58,000 of these shares were outstanding.

Under the automatic option grant program of our Stock Incentive Plan, each individual who first joins the board of directors after the closing of this offering as a nonemployee member of the board will also receive an option grant for 15,000 shares of our common stock at the time of his or her commencement of service on the board. In addition, as of January 1, 2000, and at each subsequent annual meeting of stockholders beginning with the 2001 annual meeting, each individual who has served as a nonemployee board member for at least 6 months and is to continue to serve as a nonemployee member of the board of directors will be granted an option to purchase 2,500 shares of our common stock.

No executive officer of Uproar serves on the board of directors or compensation committee of any entity which has one or more executive officers serving as a member of Uproar's board of directors or compensation committee.

Executive Compensation The following table sets forth all compensation awarded to, earned by or paid to our Chief Executive Officer and our other highly-compensated executive officers whose annual salary and bonus exceeded $100,000 in 1998 for services rendered in all capacities during 1998.

Summary Compensation Table

	Annual Compensation			Long-Term Compensation Awards
Name and Principal Position	Salary	Bonus	Other Annual Compensation	Securities Underlying Options
Kenneth D. Cron(1) Chairman and Chief Executive Officer	$ --	$ --	$--	--
Christopher R. Hassett(2) President and Chief Operating Officer	--	--	--	--
Michael K. Simon(3) Chief Financial Officer	122,495	--	--	41,000
David A. Becker(4)	114,537	5,250	--	200,000

(1) Kenneth D. Cron joined us as our Chief Executive Officer in September 1999 and became Chairman of our board of directors in December 1999. Mr. Cron is not entitled to receive an annual salary or bonus from us. (2) Christopher R. Hassett joined us as our Chief Operating Officer and as a director in July 1999. He currently also serves as our President. Mr. Hassett is not entitled to receive an annual salary or bonus from us. (3) Mr. Simon served as our Chief Executive Officer until September 1999 and as our Chairman until December 1999. (4) Mr. Becker was our President and Chief Operating Officer until August 1999.

Option Grants in Last Year We did not grant any stock options for the year ended December 31, 1998 to our Chief Executive Officer and our other most highly-compensated officers whose salary and bonus exceeded $100,000. We have never granted any stock appreciation rights.

Aggregated Option Exercises in the Year Ended December 31, 1998 and Year-End Option Values The following table sets forth information concerning the value realized upon exercise of stock options and the number and value of unexercised options held as of December 31, 1998 by our Chief Executive Officer and our most highly compensated executive officers whose salary and bonus exceeded $100,000. The values set forth below were calculated based on the fair market value of the shares underlying the options on the date of exercise, less the applicable exercise price per share, multiplied by the number of shares underlying the options.

			Number of Securities Underlying Unexercised Options at December 31, 1998	Value of In-the-Money Options at December 31, 1998
	Shares Acquired	Value		

Name	on Exercise	Realized	Exercisable	Unexercisable	Exercisable	Unexercisable
Kenneth D. Cron	--	$ --	--	--	$ -	$ --
Christopher R. Hassett	--	--	--	--	-	--
Michael K. Simon	342,000	465,250	--	41,000	-	480,506
David A. Becker	--	--	--	200,000	-	2,343,930

Employment Agreements In the United States, we typically enter into employment agreements only with senior executive officers. We have entered into employment agreements with Mr. Cron, our Chief Executive Officer, and Mr. Simon, our Chief Financial Officer.

We entered into an employment agreement with Mr. Cron in September 1999. His employment agreement provides for compensation solely in the form of options to acquire our common stock. Pursuant to this agreement, we have granted Mr. Cron options to acquire 800,000 shares of our common stock, of which options to acquire 400,000 shares have vested and are currently exercisable, and options to acquire the remaining 400,000 shares will have vested and become exercisable by September 6, 2001. In the event Mr. Cron is terminated by us without cause, or he chooses to terminate his employment with us, the stock options that have not been exercised will remain outstanding and continue to vest pursuant to their terms. Mr. Cron is also entitled to participate in our stock option plans as well as all health and other benefit plans provided by us to our executive employees.

Mr. Cron's employment continues on an at-will basis. His employment agreement prohibits him from competing with us for a period of one year from the date of his termination of employment if he is terminated by us for cause or if he chooses to terminate his employment with us without good reason. We have agreed to indemnify Mr. Cron for all liabilities relating to his status as officer or director to the extent permitted by the laws of the State of Delaware.

We entered into an employment agreement with Mr. Simon in December 1999. His employment agreement provides for compensation in the form of an annual salary and bonus. In addition, beginning on March 31, 2000, at the end of each calendar quarter during the term of the agreement, we will grant Mr. Simon options to acquire 15,000 shares of our common stock, which will vest and be exercisable upon termination of the agreement. Mr. Simon is also entitled to participate in our stock option plans as well as all health and other benefit plans provided by us to our executive employees.

Mr. Simon's employment under the agreement will end on the earliest of (1) December 2001, (2) the date on which our agreement with Pearson is modified so that the termination of Mr. Simon's employment with us no longer triggers Pearson's right to terminate our agreement with Pearson, or (3) the termination of the Pearson Agreement. In the event Mr. Simon is terminated by us without cause, or he chooses to terminate his employment with us for good reason, all stock options previously granted to him will accelerate and vest in full.

In Europe, consistent with standard market practices, we typically enter into employment agreements with all of our employees.

Stock Option Plans

Stock Incentive Plan

The Stock Incentive Plan is intended to serve as the successor equity incentive program to our 1999 Share Option/Share Issuance Plan. The Stock Incentive Plan became effective upon its adoption by the board of directors. We anticipate that it will be ratified by the stockholders within a reasonable time after board approval.

To date, 2,700,000 shares of our common stock have been authorized for issuance under our stock option plans. The stock option plan share reserve will be automatically increased on the first trading day of July each calendar year, beginning in July 2000, by a number of shares equal to 1% of the total number of shares of common stock outstanding on the last trading day of the immediately preceding June, but no annual increase will exceed 200,000 shares. However, in no event may any one participant in the Stock Incentive Plan receive option grants or direct stock issuances for more than 1,000,000 shares in the aggregate per calendar year.

Outstanding options under the predecessor plan will be incorporated into the Stock Incentive Plan and no further option grants will thereafter be made under that predecessor plan. The incorporated options will continue to be governed by their existing terms, unless our compensation committee extends one or more features of the Stock Incentive Plan to those options. However, except as otherwise noted below, the outstanding options under that predecessor plan contain substantially the same terms and conditions summarized below for the discretionary option grant program under the Stock Incentive Plan.

The Stock Incentive Plan has three separate programs: (1) the discretionary option grant program under which eligible individuals in Uproar's employ or service (including officers, non-employee board members and consultants) may be granted options to purchase shares of Uproar's common stock, (2) the stock issuance program under which such individuals may be issued shares of common stock directly, through the purchase of such shares or as a bonus tied to the performance of services and (3) the automatic option grant program under which option grants will automatically be made at periodic intervals to eligible non-employee board members.

The discretionary option grant and stock issuance programs will be administered by our compensation committee. This committee will determine:

o which eligible individuals are to receive option grants or stock issuances, o the time or times when such option grants or stock issuances are to be made, o the number of shares subject to each such grant or issuance, o the exercise or purchase price for each such grant or issuance, o the status of any granted option as either an incentive stock option or a non-statutory stock option under the federal tax laws, o the vesting schedule to be in effect for the option grant or stock issuance and o the maximum term for which any granted option is to remain outstanding.

Neither the compensation committee nor the board will exercise any administrative discretion with respect to the automatic option grant program for the nonemployee board members.

The exercise price for the options may be paid in cash or in shares of our common stock valued at fair market value on the exercise date. Options may also be exercised through a same-day sale program without any cash outlay by the optionee.

In the event that we are acquired, whether by merger or asset sale or board-approved sale by the stockholders of more than 50% of our voting stock, each outstanding option under the discretionary option grant program which is not to be assumed by the successor corporation or otherwise continued will automatically accelerate in full, and all unvested options under the discretionary option grant and all unvested shares under the stock issuance programs will immediately vest, except to the extent our repurchase rights with respect to those shares are to be assigned to the successor corporation or otherwise continued in effect. The compensation committee may grant options and issue shares under those programs which will accelerate o in an acquisition even if the options and repurchase rights are assumed, o in connection with a hostile change in control effected through a successful tender offer for more than 50% of our outstanding voting stock or by proxy contest for the election of board members, or o upon a termination of the individual's service following an acquisition or hostile change in control.

Stock appreciation rights may be issued under the discretionary option grant program which will provide the holders with the election to surrender their outstanding options for an appreciation distribution from Uproar equal to the fair market value of the vested shares subject to the surrendered option less the aggregate exercise price payable for such shares. Such appreciation distribution may be made in cash or in shares of our common stock. Currently no stock appreciation rights are outstanding under the predecessor plan.

The compensation committee has the authority to cancel outstanding options under the discretionary option grant program, including options incorporated from the predecessor plan, in return for the grant of new options for the same or different number of option shares with an exercise price per share based upon the fair market value of the common stock on the new grant date.

Under the automatic option grant program of the Stock Incentive Plan, each individual who first joins the board of directors after the closing of this offering as a nonemployee member of the board will receive an option grant for 15,000 shares of our common stock at the time of his or her commencement of service on the board. In addition, as of January 1, 2000, and thereafter, at each annual meeting of stockholders beginning with the 2001 annual meeting, each individual who has served as a nonemployee board member for at least 6 months and is to continue to serve as such will be granted an option to purchase 2,500 shares of our common stock. Each automatic grant will have an exercise price equal to the fair market value per share of our common stock on the grant date and will have a maximum term of 10 years, subject to earlier termination following the optionee's cessation of board service. Each option will vest in a series of 4 equal quarterly installments upon the optionee's completion of each quarter of service over the 1-year period measured from the grant date. However, each outstanding option will immediately vest upon an acquisition or change in control or the death or disability of the optionee while serving as a board member.

Limited stock appreciation rights will automatically be included as part of each grant made under the automatic option grant program and may be granted to one or more officers as part of their option grants under the discretionary option grant program. Options with such a limited stock appreciation right may be surrendered to us upon the successful completion of a hostile tender offer for more than 50% of our outstanding voting stock. In return for the surrendered option, the optionee will be entitled to a cash distribution from us in an amount per surrendered option share equal to the highest price per share of common stock paid in connection with the tender offer less the exercise price payable for such share.

The board may amend or modify the Stock Incentive Plan at any time, subject to required stockholder approval. The Stock Incentive Plan will terminate no later than ten years from the effective date of the Plan.

Certain Transactions

In January 1999, we entered into a strategic relationship with Pearson Television that provides us with rights to create and produce English-language versions of television game show formats owned by Pearson. In connection with this arrangement, we issued 1,000,000 shares to Pearson. We also agreed to issue to Pearson an additional 200,000 shares between September 1999 and August 2000 and 200,000 shares between September 2000 and August 2001 if Pearson meets television distribution targets for its game shows in the United States as stated in our January 1999 agreement with Pearson. In addition, we agreed to appoint a Pearson representative, Ms. Mackay, to our board of directors. Ms. Mackay's term will expire at the annual stockholders' meeting in 2001.

Under the merger agreement with PrizePoint, we issued approximately 1,220,000 shares of our common stock to PrizePoint stockholders, including Mr. Hassett, our President and Chief Operating Officer, and his family members. In addition, we appointed Mr. Hassett to our board of directors. Mr. Hassett's term will expire at the annual stockholders' meeting in 2001.

In 1996, Michael Simon was granted an option to purchase 242,000 shares at a price of $0.92 per share and an option to purchase 100,000 shares of our common stock at $1.53 per share. The exercise price of these options was above the fair market value of the shares at the time of grant, and the expiration date of the options was December 31, 1997. In December 1997, our board of directors extended the expiration date of these options to June 30, 1998, and increased the exercise price to $1.05 per share and $1.75 per share, respectively. In 1998, Mr. Simon exercised these options.

In 1997, we created an option program under which employees and directors were granted options to purchase in the aggregate up to 500,000 shares at an exercise price of $4.42 per share. That price was above the fair market value of the shares at the time this program was created. We granted the following directors and executive officers options under this program:

Name	Options	Purchase Price
Michael K. Simon	41,000	$4.42 per share
Thompson B. Barnhardt	16,000	$4.42 per share
Esther Dyson	16,000	$4.42 per share

In 1999, we acquired PrizePoint Entertainment. The following table sets out the number of PrizePoint shares that the following officers and directors of PrizePoint purchased, the number of our shares into which they were converted, and the equivalent per share price:

Name PrizePoint Shares Uproar Shares Price Per Uproar Share

Kenneth D. Cron	41,254	21,660	$ 11.54
Christopher R. Hassett	716,667	376,529	$ 1.67
Francis G. Blot	218,500	114,780	$ 0.02

The Uproar shares listed for Mr. Hassett include 65,560 shares owned by his spouse; the Uproar shares listed for Mr. Blot include 38,340 shares owned by his spouse.

In 1999, we established our 1999 Share Option/Share Issuance Plan. The exercise price of all options granted under that Plan in 1999 was equal to the fair market value of the shares on the date of grant. The following directors and officers have been granted options under this program:

Name	Options	Purchase Price
Kenneth D. Cron	800,000	$18.85 per share
Christopher R. Hassett	343,348	$18.85 per share
Michael K. Simon	50,000	$18.85 per share
Francis G. Blot	80,000	$18.85 per share
Shannon King	100,000	$18.85 per share
Robert D. Marafioti	250,000	$21.62 per share
Jeffrey L. Strief	350,000	$21.62 per share

The options listed for Mr. Blot include 35,000 options granted to his spouse.

Principal Stockholders

The following table sets forth information with respect to the beneficial ownership of our common stock as of November 30, 1999 and as adjusted to reflect the sale of the shares of common stock in this offering, for o each person who we know to beneficially own 5% or more of our common stock;

o each executive officer named in the Summary Compensation Table;

o each of our directors; and o all of our directors and executive officers as a group.

Unless otherwise indicated, the address of each beneficial owner listed below is c/o Uproar Inc., 240 West 35th Street, 9th Floor, New York, New York 10001.

Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and includes voting or investment power with respect to the securities. Except as indicated by footnote, and subject to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them. The number of shares of common stock outstanding used in calculating the percentage for each listed person includes the shares of common stock underlying options held by such person that are exercisable within 60 days of November 30, 1999, but excludes shares of common

stock underlying options held by any other person. Percentage of beneficial ownership is based on 11,835,920 shares of common stock outstanding as of November 30, 1999, and shares of common stock to be outstanding after the completion of this offering.

Name of Beneficial Owner	Shares Beneficially Owned Prior to Offering Number	Percent	Shares Beneficially Owned After Offering Number	Percent
Kenneth D. Cron (1)	419,500	3.4%		%
Christopher R. Hassett (2)	548,273	4.6		
Michael K. Simon (3)	693,310	5.8		
David A. Becker (4)	200,000	1.7		
Thompson B. Barnhardt (5)	12,000	*		
Esther Dyson (6)	75,120	*		
Catherine V. Mackay (7)	1,000,000	8.4		
Pearson Television, Inc. (8)	1,000,000	8.4		
All directors and executive officers as a group (10 persons)	3,215,151	25.1		

* Indicates less than one percent of the common stock.

(1) Includes 400,000 shares issuable upon the exercise of currently exercisable stock options.

(2) Includes (a) 171,744 shares issuable upon the exercise of currently exercisable stock options, (b) 34,500 shares owned by Mr. Hassett's spouse and (c) 20,000 shares underlying options owned by Mr. Hassett's spouse.

(3) Includes 55,750 shares issuable upon the exercise of currently exercisable stock options.

(4) Includes 200,000 shares issuable upon the exercise of currently exercisable options. Mr. Becker's address is 87 Remsen Street, #3, Brooklyn, NY 11201.

(5) Includes 12,000 shares issuable upon the exercise of currently exercisable stock options. Mr. Barnhardt's address is c/o Biznes Polska.pl Sp zoo., Ul. Gornoslaska 7B, Warsaw 00-443.

(6) Includes 12,000 shares issuable upon the exercise of currently exercisable stock options. Ms. Dyson's address is 104 Fifth Avenue, 20th Floor, New York, NY 10011.

(7) All shares indicated as owned by Ms. Mackay are included because of Ms. Mackay's affiliation with Pearson Television, Inc. Ms. Mackay disclaims beneficial ownership of all shares owned by Pearson Television, Inc. Ms. Mackay's address is c/o Pearson Television, Inc., 1330 Avenue of the Americas, New York, NY 10019.

(8) The address of Pearson Television, Inc. is 1330 Avenue of the Americas, New York, NY 10019

Description of Capital Stock

The following description of our common stock and relevant provisions of our certificate of incorporation as will be in effect upon the closing of this offering and the bylaws as will be in effect upon the closing of this offering are summaries and are qualified by reference to our certificate of incorporation and the bylaws, copies of which have been filed with the Securities and Exchange

Commission as exhibits to our Registration Statement of which this prospectus forms a part. The description of the common stock reflects changes to our capital structure that will occur upon the closing of the offering in accordance with the terms of our certificate of incorporation.

Our authorized capital stock consists of 28,000,000 shares of common stock, par value $.01 per share, and 10,000,000 shares of preferred stock, par value $.01 per share.

Common Stock

As of November 30, 1999, there were 11,835,920 shares of common stock outstanding and held of record by stockholders. Based upon the number of shares outstanding as of that date and giving effect to the issuance of the shares of common stock in this offering, there will be shares of common stock outstanding upon the closing of this offering.

Holders of common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders and do not have cumulative voting rights. Accordingly, holders of a majority of the shares of common stock entitled to vote in any election of directors may elect all of the directors standing for election. Holders of common stock are entitled to receive ratably those dividends, if any, as may be declared by the board of directors out of legally available funds, subject to any preferential dividend rights of any outstanding preferred stock. Upon our liquidation, dissolution or winding up, the holders of common stock are entitled to receive ratably our net assets available after the payment of all debts and other liabilities and subject to the prior rights of any outstanding preferred stock. Holders of the common stock have no preemptive, subscription, redemption or conversion rights. The outstanding shares of common stock are, and the shares offered by us in the offering will be, when issued in consideration for payment, fully paid and nonassessable. The rights, preferences and privileges of holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock which we may designate and issue in the future.

Preferred Stock

Upon the closing of the offering, the board of directors will be authorized, without further stockholder approval, to issue from time to time up to an aggregate of 10,000,000 shares of preferred stock in one or more series and to fix or alter the designations, preferences, rights and any qualifications, limitations or restrictions of the shares of each series, including the dividend rights, dividend rates, conversion rights, voting rights, terms of redemption, including sinking fund provisions, redemption price or prices, liquidation preferences and the number of shares constituting any series or designations of such series. We have no present plans to issue any shares of preferred stock.

Global Instrument Certificate Units Some of our stockholders continue to hold interests in our shares in the form of undivided interests, or GIC Units, in global instrument certificates, or GICs, issued by Oesterreichische Kontrollbank Aktiengesellschaft, or OeKB, with each GIC Unit representing one share. OeKB holds the shares and all rights thereunder in trust for the GIC holders. OeKB, as legal owner of the shares, votes at stockholder meetings only in accordance with the instructions of GIC Unit holders, provided these have been received by OeKB in compliance with the terms and conditions of the GIC arrangements.

GIC Units will be converted to the underlying shares on written application by the GIC Unit holders to the OeKB. The OeKB charges a fee to the GIC Unit holders for conversion according to the provisions applied by the OeKB from time to time. The OeKB will not automatically convert the GICs in respect of shares that it currently holds on behalf of GIC Unit holders to our shares of common stock.

We withdrew from the trading facility for the GICs provided by the Vienna Stock Exchange on November 30, 1999. As a result, the GIC Units are no longer tradable on the Vienna Stock Exchange.

Registration Rights

In our agreement with Pearson Television in January 1999, we granted Pearson rights to register the shares of common stock that it acquired under that agreement. Twice during the three-year period beginning in January 2001, Pearson is entitled to require us to register all or any portion of its shares. This type of registration right is known as a "demand" registration right. In addition, during the five-year period commencing in January 2001, Pearson is entitled to require us to register all or any portion of its shares when we register shares of our common stock for our own account or for the account of other stockholders. This type of registration right is known as a "piggyback" registration right.

These registration rights are subject to certain conditions and limitations, including:

o the right of the underwriters in any underwritten offering to limit the number of shares of common stock held by Pearson to be included in any demand or piggyback registration; and o our right to refuse to effect a registration pursuant to Pearson's demand registration rights during the twelve-month period following the effective date of a registration statement in connection with which Pearson exercised any piggyback registration rights, or at any time when another registration statement of ours, other than a Form S-4 or S-8, is reasonably foreseen by our board of directors to be filed within 30 days of a registration demand, has been filed and not yet become effective, or has been effective for less than six months prior to a registration demand.

We are generally required to bear all of the expenses of registering Pearson's shares of common stock, other than underwriting discounts and commissions. Subject to the lock-up provisions contained in the Pearson agreement, registration of any of the shares of common stock held by Pearson would result in those shares becoming freely tradable without restriction under the Securities Act of 1933, as amended, immediately after the effectiveness of the registration We have agreed to indemnify Pearson in connection with the registration of its shares of common stock under the terms of our agreement with Pearson.

Anti-Takeover Effects of Certain Provisions of Delaware Law and Uproar's Certificate of Incorporation and Bylaws We are subject to the provisions of Section 203 of the Delaware General Corporation Law (as amended from time to time, the "DGCL"). Subject to certain exceptions, Section 203 prohibits a publicly-held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the interested stockholder attained such status with the approval of the board of directors or unless the business combination is approved in a prescribed manner. A "business combination" includes mergers, asset sales and other transactions resulting in a financial benefit to the

interested stockholder. Subject to certain exceptions, an "interested stockholder" is a person who, together with affiliates and associates, owns, or within three years did own, 15% or more of the corporation's voting stock. This statute could prohibit or delay the accomplishment of mergers or other takeover or change in control attempts with respect to Uproar and, accordingly, may discourage attempts to acquire Uproar.

In addition, certain provisions of the certificate of incorporation and bylaws, which provisions will be in effect upon the closing of the offering and are summarized in the following paragraphs, may be deemed to have an anti-takeover effect and may delay, defer or prevent a tender offer or takeover attempt that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by stockholders.

Limitation of Liability and Indemnification Matters Our certificate of incorporation provides that, except to the extent prohibited by DGCL, our directors shall not be personally liable to Uproar or our stockholders for monetary damages for any breach of fiduciary duty as directors of Uproar. Under the DGCL, the directors have a fiduciary duty to Uproar which is not eliminated by this provision of the certificate and, in appropriate circumstances, equitable remedies such as injunctive or other forms of non-monetary relief will remain available. In addition, each director will continue to be subject to liability under the DGCL for breach of the director's duty of loyalty to Uproar, for acts or omissions which are found by a court of competent jurisdiction to be not in good faith or which involves intentional misconduct, or knowing violations of law, for actions leading to improper personal benefit to the director, and for payment of dividends or approval of stock repurchases or redemptions that are prohibited by DGCL. This provision also does not affect the directors' responsibilities under any other laws, such as the Federal securities laws or state or Federal environmental laws.

Section 145 of the DGCL empowers a corporation to indemnify its directors and officers and to purchase insurance with respect to liability arising out of their capacity or status as directors and officers, provided that this provision shall not eliminate or limit the liability of a director:

(1) for any breach of the director's duty of loyalty to the corporation or its stockholders;

(2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;

(3) arising under Section 174 of the DGCL; or (4) for any transaction from which the director derived an improper personal benefit.

The DGCL provides further that the indemnification permitted thereunder shall not be deemed exclusive of any other rights to which the directors and officers may be entitled under the corporation's bylaws, any agreement, a vote of stockholders or otherwise. The Certificate eliminates the personal liability of directors to the fullest extent permitted by Section 102(b)(7) of the DGCL and provides that Uproar shall fully indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (whether civil, criminal, administrative or investigative) by reason of the fact that such person is or was a director or officer of Uproar, or is or was serving at the request of Uproar as a director or officer of another corporation,

partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding.

Our bylaws permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions, regardless of whether the DGCL would permit indemnification. We have obtained liability insurance for our officers and directors.

At present, we are not the subject of pending litigation or proceeding involving any director, officer, employee or agent as to which indemnification will be required or permitted under the certificate. We are not aware of any threatened litigation or proceeding that may result in a claim for such indemnification.

Transfer Agent and Registrar The transfer agent and registrar for the common stock will be American Stock Transfer & Trust Company, New York, New York.

Shares Eligible for Future Sale

Sales of substantial amounts of our common stock in the public market could adversely affect prevailing market prices of our common stock. Upon completion of this offering, we will have outstanding an aggregate of shares of our common stock, assuming no exercise of the underwriters' over-allotment option and no exercise of outstanding options. Of these shares, all shares sold in this offering will be freely tradable without restriction or further registration under the Securities Act, unless such shares are purchased by "affiliates" as that term is defined in Rule 144 under the Securities Act. 11,835,530 of the remaining shares of our common stock held by existing stockholders are "restricted securities" as that term is defined in Rule 144 under the Securities Act of 1933, as amended, or are subject to transfer restrictions under Regulation S. Restricted securities may be sold in the public market only if registered or if they qualify for an exemption from registration under Rule 144 or 701 under the Securities Act, which rules are summarized below.

Lock-Up Agreements

All of our officers, directors and most of our stockholders have signed lock-up agreements under which they agreed not to transfer or dispose of, directly or indirectly, any shares or any securities convertible into or exercisable or exchangeable for common stock, for a period of 180 days after the date of this prospectus. Transfers or dispositions can be made sooner:

o with the prior written consent of Salomon Smith Barney;

o in the case of certain transfers to affiliates;

o as a bona fide gift; or o to any trust.

Subject to the provisions of Rules 144, 701 and Regulation S, restricted shares totaling will be available for sale in the public market 180 days after the date of this prospectus.

In connection with our agreement with Pearson, Pearson has agreed not to transfer or dispose of, directly or indirectly, any of the 1,000,000 shares of our common stock issued to it under the agreement until at least January 14, 2000. On and after January 14, 2000, Pearson will be able to sell up to 500,000 of those shares and on and after January 14, 2001, Pearson will be able to sell the remaining entire number of shares that were issued to it under the agreement.

Rule 144

In general, under Rule 144 as currently in effect, beginning 90 days after the date of this prospectus, a person who has beneficially owned our common stock for at least one year would be entitled to sell within any three-month period a number of shares that does not exceed the greater of:

- 1% of the number of common shares then outstanding, which will equal approximately shares immediately after this offering; or

o the average weekly trading volume of the common shares on the Nasdaq National Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Sales under Rule 144 are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us.

Rule 144(k)

Under Rule 144(k), a person who is not one of our affiliates at any time during the three months preceding a sale, and who has beneficially owned the shares proposed to be sold for at least two years, including the holding period of any prior owner other than an affiliate, is entitled to sell such shares without complying with the manner of sale, public information, volume limitation or notice provisions of Rule 144.

Rule 701

In general, under Rule 701 of the Securities Act as currently in effect, each of our employees, consultants or advisors who purchases shares from us in connection with a compensatory share plan or other written agreement is eligible to resell such shares 90 days after the effective date of this offering in reliance on Rule 144, but without compliance with certain restrictions, including the holding period, contained in Rule 144.

Registration Rights

Beginning in January 2001, Pearson, or its transferees, will be entitled to request that we register up to 1,000,000 shares of our common stock under the Securities Act of 1933, as amended, as described in more detail in "Description of Capital Stock -- Registration Rights."

Stock Plans

At September 30, 1999, options to purchase 2,468,632 shares were issued and outstanding under our stock option plans and otherwise. All of these shares will be eligible for sale in the public market from time to time, subject to vesting provisions and Rule 144 volume limitations applicable to our affiliates.

United States Tax Consequences to Non-united States Holders

The following is a general discussion of the material United States federal income and estate tax consequences of the ownership and disposition of the common stock applicable to Non-United States Holders of this common stock. For the purpose of this discussion, a Non-United States Holder is any holder that for United States federal income tax purposes is not a United States person. The following discussion is based on current provisions of the Internal Revenue Code of 1986, as amended, and administrative and judicial interpretations thereof, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. We have not and will not seek a ruling from the Internal Revenue Service with respect to the United States federal income and estate tax consequences described below and, as a result, there can be no assurance that the Internal Revenue Service will not disagree with or challenge any of the conclusions set forth in this discussion. For purposes of this discussion, the term United States person means:

o a citizen or resident of the United States;

o a corporation or other entity taxable as a corporation created or organized in the United States or under the laws of the United States or any political subdivision thereof;

o an estate whose income is included in gross income for United States federal income tax purposes regardless of its source; or o a trust whose administration is subject to the primary supervision of a United States court and which has one or more United States persons who have the authority to control all substantial decisions of the trust.

This discussion does not consider:

o United States state and local or non-United States tax consequences;

o specific facts and circumstances that may be relevant to a particular Non-United States Holder's tax position, including, if the Non-United States Holder is a partnership, that the United States tax consequences of holding and disposing of our common stock may be affected by certain determinations made at the partner level;

o the tax consequences for the shareholders or beneficiaries of a Non-United States Holder;

o special tax rules that may apply to certain Non-United States Holders, including, without limitation, banks, insurance companies, dealers in securities and traders in securities who elect to apply a mark-to-market method of accounting; or o special tax rules that may apply to a Non-United States Holder that holds our common stock as part of a "straddle", "hedge", or "conversion transaction".

Dividends

If we pay a dividend, any dividend paid to a Non-United States Holder of common stock generally will be subject to United States withholding tax either at a rate of 30% of the gross amount of the dividend or such lower rate as may be specified by an applicable tax treaty. Dividends received by a Non-United States Holder that are effectively connected with a United States trade or business conducted by the Non-United States Holder as, if as income tax treaty applies, are attributable to a permanent

establishment, or in the case of an individual, a "fixed base," in the United States, as provided in that treaty ("U.S. trade or business income"), are generally not subject to such withholding tax if the Non-United States Holders files the appropriate U.S. Internal Revenue Service Form with the payor. However, such U.S. trade or business income, net of certain deductions and credits taxed at the same graduated rates applicable to United States persons. Any U.S. trade or business income received by a Non-United States Holder that is a corporation may also, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate or such lower rate as specified by an applicable income tax treaty.

Dividends paid on or prior to December 31, 2000 to an address in a foreign country are presumed, absent actual knowledge to the contrary, to be paid to a resident of such country for purposes of the withholding discussed above and for the purposes of determining the applicability of a tax treaty rate. For dividends paid after December 31, 2000;

o a Non-United States Holder of common stock who claims the benefit of an applicable income tax treaty rate generally will be required to satisfy applicable certification and other requirements;

o in the case of common stock held by a foreign partnership, the certification requirement will generally be applied to the partners of the partnership and the partnership will be required to provide certain information, including a United States taxpayer identification number; and o look-through rules will apply for tiered partnerships.

A Non-United States Holder of common stock that is eligible for a reduced rate of withholding tax pursuant to a tax treaty may obtain a refund of any excess amounts currently withheld by filing an appropriate claim for refund with the IRS.

Gain on Disposition of Common Stock A Non-United States Holder generally will not be subject to United States federal income tax on any gain realized upon the sale or other disposition of his common stock unless:

o the gain is U.S. trade or business income (which gain, in the case of a corporate Non-United States Holder, must also be taken into account for branch profits tax purposes);

o the Non-United States Holder is an individual who holds his or her common stock as a capital asset (generally, an asset held for investment purposes) and who is present in the United States for a period or periods aggregating 183 days or more during the calendar year in which the sale or disposition occurs and certain other conditions are met;

o the Non-United States Holder is subject to tax pursuant to the provisions of the United States tax law applicable to certain United States expatriates; or o Uproar is or has been a "United States real property holding corporation" for United States federal income tax purposes at any time within the shorter of the five-year period preceding the disposition or the holder's holding period for its common stock.

Generally, a corporation is a "United States real property holding corporation" if the fair market value of its "United States real property interests" equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests plus its other assets used or held for use in a trade or business.

We believe that Uproar has not been and is not currently, and we do not anticipate it becoming, a "United States real property holding corporation" for United States federal income tax purposes. The tax relating to stock in a "United States real property holding corporation" will not apply to a Non-United States Holder whose holdings, direct and indirect, at all times during the applicable period, constituted 5% or less of the common stock, provided that the common stock was regularly traded on an established securities market.

Backup Withholding and Information Reporting Generally, we must report annually to the Internal Revenue Service the amount of dividends paid, the name and address of the recipient, and the amount, if any, of tax withheld. A similar report is sent to the holder. Pursuant to tax treaties or other agreements, the Internal Revenue Service may make its reports available to tax authorities in the recipient's country of resident.

Dividends paid to a Non-United States Holder at an address within the United States may be subject to backup withholding at a rate of 31% if the Non-United States Holder fails to establish that it is entitled to an exemption or to provide a correct taxpayer identification number and other information to the payer. Backup withholding will generally not apply to dividends paid to Non-United States Holders at an address outside the United States on or prior to December 31, 2000 unless the payer has knowledge that the payee is a United States person. Under recently finalized Treasury Regulations regarding withholding and information reporting, payment of dividends to Non-United States Holders at an address outside the United States after December 31, 2000 may be subject to backup withholding at a rate of 31% unless such Non-United States Holder satisfies various certification requirements.

Under current Treasury Regulations, the payment of the proceeds of the disposition of common stock to or through the United States office of a broker or through a non-United States branch of a United States broker is subject to information reporting and backup withholding at a rate of 31% unless the holder certifies its non-United States status under penalties or perjury or otherwise establishes an exemption. Generally, the payment of the proceeds of the disposition by a Non-United States Holder of common stock outside the United States to or through a non-United States office of a non-United States broker will not be subject to backup withholding but will be subject to information reporting requirements if the broker is:

o a United States person;

o a "controlled foreign corporation" for United States federal income tax purposes; or o a foreign person 50% or more of whose gross income for certain periods is from the conduct of a United States trade or business unless the broker has documentary evidence in its files of the holders' Non-United States status and certain other conditions are met, or the holder otherwise establishes an exemption. Neither backup withholding nor information reporting generally will apply to a payment of the proceeds of a disposition of common stock by or through a foreign office of a foreign broker not subject to the preceding sentence.

In general, the recently promulgated final Treasury Regulations, described above, do not significantly alter the substantive withholding and information reporting requirements but would alter the procedures for claiming benefits of an income tax treaty and change the certifications procedures

relating to the receipt by intermediaries of payments on behalf of the beneficial owner of shares of common stock. Non-United States Holders should consult their tax advisors regarding the effect, if any, of those final Treasury Regulations on an investment in the common stock. Those final Treasury Regulations are generally effective for payments made after December 31, 2000.

Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained, provided that the required information is furnished to the Internal Revenue Service.

Estate Tax

An individual Non-United States Holder who owns common stock at the time of his death or had made certain lifetime transfer of an interest in common stock will be required to include the value of that common stock in such holder's gross estate for United States federal estate tax purposes, unless an applicable estate tax treaty provides otherwise.

The foregoing discussion is a summary of the principal federal income and estate tax consequences of the ownership, sale or other disposition of common stock by Non-United States Holders. Accordingly, investors are urged to consult their own tax advisors with respect to the income tax consequences of the ownership and disposition of common stock, including the application and effect of the laws of any state, local, foreign or other taxing jurisdiction.

Underwriting

Subject to the terms and conditions stated in the underwriting agreement dated the date hereof, each underwriter named below has severally agreed to purchase, and we have agreed to sell to such underwriter, the number of shares set forth opposite the name of such underwriter.

Number of Underwriter Shares Salomon Smith Barney Inc. ..... Bear, Stearns & Co. Inc. ..... Banc of America Securities LLC ..... Wit Capital Corporation ..... Total .....

The underwriting agreement provides that the obligations of the several underwriters to purchase the shares included in this offering are subject to approval of certain legal matters by counsel and to certain other conditions. The underwriters are obligated to purchase all the shares (other than those covered by the over-allotment option described below) if they purchase any of the shares.

The underwriters, for whom Salomon Smith Barney Inc., Bear, Stearns & Co. Inc., Banc of America Securities LLC and Wit Capital Corporation are acting as representatives, propose to offer some of the shares directly to the public at the initial public offering price set forth on the cover page of this prospectus and some of the shares to certain dealers at the initial public offering price less a concession not in excess of $ per share. The underwriters may allow, and such dealers may reallow, a concession not in excess of $ per share on sales to certain other dealers. If all of the shares are not sold at the initial

offering price, the representatives may change the public offering price and the other selling terms. The representatives have advised us that the underwriters do not intend to confirm any sales to any accounts over which they exercise discretionary authority.

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to additional shares of common stock at the initial public offering price less the underwriting discount. The underwriters may exercise such option solely for the purpose of covering over-allotments, if any, in connection with this offering. To the extent such option is exercised, each underwriter will be obligated, subject to certain conditions, to purchase a number of additional shares approximately proportionate to such underwriter's initial purchase commitment.

At our request, the underwriters will reserve up to shares of our common stock to be sold, at the initial public offering price, to our directors, officers and employees, as well as to some of our customers and suppliers and individuals associated or affiliated with our directors, customers and suppliers. This directed share program will be administered by Salomon Smith Barney Inc. The number of shares of common stock available for sale to the general public will be reduced to the extent these individuals purchase reserved shares. Any reserved shares which are not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus. We have agreed to indemnify the underwriters against certain liabilities and expenses, including liabilities under the Securities Act of 1933, in connection with sales of the directed shares.

Uproar, its officers and directors, and certain other stockholders have agreed that, for a period of 180 days from the date of this prospectus, they will not, without the prior written consent of Salomon Smith Barney Inc., dispose of or hedge any shares of our common stock or any securities convertible into or exchangeable for our common stock. Salomon Smith Barney Inc., in its sole discretion, may release any of the securities subject to these lock-up agreements at any time without notice.

Prior to this offering there has been no public market for our common stock in the United States. The common stock is currently admitted for trading on EASDAQ under the symbol "UPRO". The initial price to public of the common stock in the United States will be determined by negotiation among the underwriters and Uproar. In addition to prevailing market conditions, among the factors that may be considered in determining the price to public of the common stock are Uproar's historical financial performance, estimates of Uproar's business potential and its prospects, the price of Uproar's shares on EASDAQ, an assessment of the Uproar's management and the consideration of the above factors in relation to the market valuations of companies in similar businesses.

Uproar has applied to have the common stock included for quotation on the Nasdaq National Market under the symbol "UPRO".

The following table shows the underwriting discounts and commissions to be paid to the underwriters by Uproar in connection with this offering. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares of common stock.

	Paid by Uproar	
	No Exercise	Full Exercise
Per share	$	$
Total	$	$

In connection with the offering, Salomon Smith Barney Inc., on behalf of the underwriters, may purchase and sell shares of common stock in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment involves syndicate sales of common stock in excess of the number of shares to be purchased by the underwriters in the offering, which creates a syndicate short position. Syndicate covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing transactions consist of certain bids or purchases of common stock made for the purpose of preventing or retarding a decline in the market price of the common stock while the offering is in progress.

The underwriters also may impose a penalty bid. Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when Salomon Smith Barney Inc., in covering syndicate short positions or making stabilizing purchases, repurchases shares originally sold by that syndicate member.

Any of these activities may cause the price of the common stock to be higher than the price that otherwise would exist in the open market in the absence of such transactions. These transactions may be effected on the Nasdaq National Market or in the over-the-counter market, or otherwise and, if commenced, may be discontinued at any time.

A prospectus in electronic format is being made available on an Internet Web site maintained by Wit Capital. In addition, pursuant to an e-Dealer Agreement, all dealers purchasing shares from Wit Capital in the offering similarly have agreed to make a prospectus in electronic format available on Web sites maintained by each of the e-Dealers. Other information contained on any of these web sites does not constitute part of this prospectus.

Wit Capital, a member of the National Association of Securities Dealers, Inc. will participate in the offering as one of the underwriters. The National Association of Securities Dealers, Inc. approved the membership of Wit Capital on September 4, 1997. Since that time, Wit Capital has acted as an underwriter, co-manager or selected dealer in over 160 public offerings. Except for its participation as a manager in this offering, Wit Capital has no relationship with us or any of our founders or significant stockholders.

We estimate that our total expenses for this offering will be $1.5 million.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriters may be required to make in respect of any of those liabilities.

Legal Matters

The validity of the common shares offered hereby will be passed upon for Uproar by Brobeck, Phleger & Harrison LLP, New York, New York. Various legal matters in connection with the offering will be passed upon for the underwriters by Cravath, Swaine & Moore, New York, New York.

Experts

KPMG Hungaria Kft. independent auditors, have audited our consolidated financial statements and schedule at December 31, 1996, 1997 and 1998 as set forth in their reports. We have included our financial statements and schedule in the prospectus and elsewhere in the registration statement in reliance on KPMG Hungaria Kft.'s report, given on their authority as experts in accounting and auditing. With the approval of our board of directors and stockholders, we changed our auditors during 1998 to KPMG Hungaria Kft. from Coopers & Lybrand in Dublin, Ireland, to benefit from time and cost savings in relocating auditing procedures to the operational center in Hungary. We received unqualified audit reports from Coopers & Lybrand during the period it served as auditor.

The audited financial statements of PrizePoint as of December 31, 1998 and for the period from PrizePoint's inception, March 4, 1998, to December 31, 1998, incorporated into the financial statements included in this prospectus, were audited by Arthur Andersen LLP, independent public accountants, and are included herein in reliance upon the authority of the firm as experts in giving the reports.

Where You Can Find Additional Information

We have filed with the Securities and Exchange Commission a registration statement on Form S-1, including exhibits and schedules thereto, under the Securities Act with respect to the common stock to be sold in this offering. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules which are part of the registration statement. For further information about us and the shares of common stock to be sold in the offering, please refer to the registration statement and the exhibits and schedules, thereto.

You may read and copy all or any portion of the registration statement or any reports, statements or other information in our files in the Securities and Exchange Commission's public reference room at 450 Fifth Street, N.W., Washington, D.C., 20549. You can request copies of these documents, upon payment of a duplicating fee, by writing to the Securities and Exchange Commission. Please call the Securities and Exchange Commission at 1-800-SEC-1330 for further information about the public reference rooms. Uproar's Securities and Exchange Commission filings, including the registration statement, are also available to you on the Securities and Exchange Commission's Internet site (http://www.sec.gov).

As a result of the offering, we will become subject to the information and reporting requirements of the Securities Exchange Act of 1934, as amended, and will file periodic reports, proxy statements and other information with the Securities and Exchange Commission.

We intend to furnish to our stockholders with annual reports containing financial statements audited by our independent auditors and to make available to our stockholders quarterly reports containing unaudited interim consolidated financial data for the first three quarters of each fiscal year.

Companies approved for trading on EASDAQ are required to publish relevant financial and other information regularly and to keep the public informed of all events likely to affect the market price of their securities. Price-sensitive information is available to investors in Europe through the EASDAQ-Reuters Regulatory Company Reporting System and other international information providers. Investors who do not have direct access to such information should ask their financial advisors for the terms on which such information will be provided to them by these financial advisors. We will ensure that a summary of our quarterly and annual financial statements will be provided to stockholders in Europe across the EASDAQ Company Reporting System, or ECR System. A hard copy of the annual report will be provided to stockholders promptly after it becomes available. Complete quarterly statements will either be sent by us to our stockholders or will be available upon request from the us at our executive offices. Copies of all documents filed by us with EASDAQ are also available for inspection at the offices of EASDAQ, 56 Rue de Colonies, Bte.15, B-1000 Brussels, Belgium.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.)

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[Firm Letterhead]

Independent Auditors' Report The Board of Directors and Stockholders Uproar Inc.:

We have audited the accompanying consolidated balance sheets of Uproar Inc. and subsidiaries (formerly Uproar Limited) as of December 31, 1997 and 1998, and the consolidated statements of operations, stockholders' equity and comprehensive loss, and cash flows for the years ended December 31, 1996, 1997 and 1998. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of PrizePoint Entertainment Corporation, a Delaware corporation, a company acquired during 1999 in a transaction accounted for as a pooling of interests, as discussed in note 3. Such financial statements are included in the financial statements of Uproar Inc. (formerly Uproar Limited) and subsidiaries and as of and for the year ended December 31, 1998 reflect 23% and 0% of total consolidated assets and revenues respectively. Those financial statements were audited by other auditors whose unqualified report has been furnished to us and our opinion, insofar as it relates to amounts included for PrizePoint Entertainment Corporation, is based solely upon the report of the other auditors.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing

the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits and the report of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Uproar Inc. and subsidiaries, (formerly Uproar Limited) as of December 31, 1997 and 1998, and the results of their operations and their cash flows for the years ended December 31, 1996, 1997 and 1998 in conformity with generally accepted accounting principles.

(Signed) KPMG Hungaria Kft.

August 4, 1999, except for note 19(b) which is as of December 16, 1999 Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.) Consolidated Balance Sheets As of December 31, 1997, 1998 and September 30, 1999 (unaudited)

	December 31,		
	1997	1998	September 30, 1999
			(Unaudited)
Assets			
Current assets:			
Cash and cash equivalents	$ 2,342,227	$ 7,035,645	$ 22,554,286
Accounts receivable -- net of allowance for doubtful accounts of $0, $0, and $70,000, respectively	248,670	551,036	1,871,317
Prepaid advertising	76,556	201,327	11,208,492
Other current assets	27,602	24,689	452,703
Total current assets	2,695,055	7,812,697	36,086,798
Property and equipment, net	303,478	1,111,966	3,382,114
Intangible assets, net	13,955	47,357	12,166,856
Other long term assets	59,210	138,685	417,645
Prepaid advertising, long term portion	--	--	3,796,004
Total assets	$ 3,071,698	$ 9,110,705	$ 55,849,417
Liabilities and stockholders' equity			
Current liabilities:			
Current portion of capital lease obligation	$ --	$ 25,949	$ 102,777
Trade accounts payable	144,806	855,866	2,154,547
Accrued expenses	135,646	471,906	1,384,890
Other current liabilities	9,181	15,188	74,865
Total current liabilities:	289,633	1,368,909	3,717,079

Long term portion of capital lease obligation		--		15,134	70,973
Stockholders' equity:					
Common stock, $.05 par value, 28,000,000 shares authorized; 5,731,840 shares, 8,873,140 shares and 11,835,530 shares issued and outstanding at December 31, 1997, 1998 and September 30, 1999 respectively .		447,032		643,860	591,777
Additional paid-in capital		6,898,378		17,470,939	83,220,878
Accumulated deficit		(4,594,048)		(10,424,698)	(31,711,157)
Accumulated other comprehensive income (loss)		30,703		36,561	(40,133)
Total stockholders' equity		2,782,065		7,726,662	52,061,365
Total liabilities and stockholders' equity	$	3,071,698	$	9,110,705	$ 55,849,417

The results for all periods have been restated to reflect the acquisition of PrizePoint Entertainment Corporation, which was completed on June 7, 1999 and accounted for as a pooling of interests.

The accompanying notes are an integral part of these consolidated financial statements Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.) Consolidated Statements of Operations Years Ended December 31, 1996, 1997, 1998 and the nine months ended September 30, 1998 and 1999 (unaudited)

	Year ended December 31,			Nine months ended September 30,	
	1996	1997	1998	1998	1999
					(Unaudited)
Revenues	$ 59,698	$ 348,709	$ 1,632,969	$ 911,253	$ 5,274,896
Cost of revenues	(40,781)	(216,586)	(760,376)	(525,230)	(1,690,692)
Gross profit	18,917	132,123	872,593	386,023	3,584,204
Sales and marketing	166,806	1,087,058	3,770,866	1,860,913	13,531,320
Product and technology development	389,346	772,744	849,486	529,985	1,676,920
General and administrative	187,362	2,092,394	2,327,720	1,195,503	5,105,128
Amortization of intangible assets	--	--	9,303	--	4,553,728
Total operating expenses	743,514	3,952,196	6,957,375	3,586,401	24,867,096
Loss from operations	(724,597)	(3,820,073)	(6,084,782)	(3,200,378)	(21,282,892)
Other income (expenses):					
Foreign exchange gain (loss)	49,946	(85,439)	57,401	36,400	(136,374)
Interest and other income	1,497	97,717	205,751	106,163	177,131
Interest expense	(29,326)	(15,368)	--	--	

--				
Income (loss) before income taxes.....	(702,480)	(3,823,163)	(5,821,630)	(3,057,815)
(21,242,135)				
Provision for income taxes	4,909	5,582	9,020	4,000
44,324				
Net loss	$ (707,389)	$ (3,828,745)	$ (5,830,650)	$ (3,061,815)
$ (21,286,459)				
Basic and diluted loss per share	$ (0.33)	$ (0.85)	$ (0.79)	$ (0.45)
$ (2.00)				
Weighted average number of common shares outstanding	2,129,042	4,517,464	7,348,556	6,781,044
10,649,857				

The results for all periods have been restated to reflect the acquisition of PrizePoint Entertainment Corporation which was completed on June 7, 1999 and accounted for as a pooling of interests.

The accompanying notes are an integral part of these consolidated financial statements.

Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.) Consolidated Statements of Stockholders' Equity and Comprehensive Loss Years ended December 31, 1996, 1997 and 1998 and the nine months ended September 30, 1999 (unaudited)

	Common Stock		Additional Paid-in
	Shares	Amount	Capital
Balance at December 31, 1995	2,000,000	$ 155,511	$ --
Comprehensive loss:			
Net loss			
Foreign currency translation			
Total comprehensive loss			
Sale of common stock	700,000	54,651	589,867
Stockholder receivable			(195,318)
Balance at December 31, 1996	2,700,000	210,162	394,549
Comprehensive loss:			
Net loss			
Foreign currency translation			
Total comprehensive loss			
Sale of common stock	2,000,000	157,526	4,558,161
Stockholder receivable			195,318
Conversion of loan notes	887,300	69,138	366,420
Exercise of stock options	144,540	10,206	139,042
Stock compensation expense			1,244,888
Balance at December 31, 1997	5,731,840	447,032	6,898,378
Comprehensive loss:			
Net loss			
Foreign currency translation			
Total comprehensive loss			
Sale of common stock	2,379,180	144,253	9,522,211
Exercise of stock options	762,120	52,575	1,047,246
Stock compensation expense			3,104
Balance at December 31, 1998	8,873,140	643,860	17,470,939
Comprehensive loss:			
Net loss			
Foreign currency translation			
Total comprehensive loss			
Re-denomination of currency of common stock		(230,883)	230,883
Acquisition and retirement of shares	(380)	(19)	(19,361)
Sale of common stock	2,937,680	177,564	64,858,386
Exercise of warrants	21,680	1,084	248,916

Stock compensation expense			420,164
Exercise of stock options	3,410	171	10,951
Balance at September 30, 1999 (unaudited)	11,835,530	$ 591,777	$83,220,878

	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total
Balance at December 31, 1995	$ (57,914)	$ (2,192)	$ 95,405
Comprehensive loss:			
Net loss	(707,389)		(707,389)
Foreign currency translation		232	232
Total comprehensive loss			(707,157)
Sale of common stock			644,518
Stockholder receivable			(195,318)
Balance at December 31, 1996	(765,303)	(1,960)	(162,552)
Comprehensive loss:			
Net loss	(3,828,745)		(3,828,745)
Foreign currency translation		32,663	32,663
Total comprehensive loss			(3,796,082)
Sale of common stock			4,715,687
Stockholder receivable			195,318
Conversion of loan notes			435,558
Exercise of stock options			149,248
Stock compensation expense			1,244,888
Balance at December 31, 1997	(4,594,048)	30,703	2,782,065
Comprehensive loss:			
Net loss	(5,830,650)		(5,830,650)
Foreign currency translation		5,858	5,858
Total comprehensive loss			(5,824,792)
Sale of common stock			9,666,464
Exercise of stock options			1,099,821
Stock compensation expense			3,104
Balance at December 31, 1998	(10,424,698)	36,561	7,726,662
Comprehensive loss:			
Net loss	(21,286,459)		(21,286,459)
Foreign currency translation		(76,694)	(76,694)
Total comprehensive loss			(21,363,153)
Re-denomination of currency of common stock			--
Acquisition and retirement of shares			(19,380)
Sale of common stock			65,035,950
Exercise of warrants			250,000
Stock compensation expense			420,164
Exercise of stock options			11,122
Balance at September 30, 1999 (unaudited)	$ (31,711,157)	$ (40,133)	$ 52,061,365

The results for all periods have been restated to reflect the acquisition of PrizePoint Entertainment Corporation which was completed on June 7, 1999 and accounted for as a pooling of interests.

The accompanying notes are an integral part of these consolidated financial statements Uproar Inc. and Subsidiaries (Formerly Uproar Ltd) Consolidated Statements of Cash Flows Years ended December 31, 1996, 1997 and 1998 and the nine months ended September 30, 1998 and 1999 (unaudited) Year ended December 31, 1996 1997 1998

Cash flows from operating activities			
Net loss	$ (707,389)	$ (3,828,745)	$ (5,830,650)
Adjustments to reconcile net loss to net cash			

used in operating activities:			
Depreciation and amortization	26,070	56,556	183,181
Provision for doubtful accounts	--	--	--
Amortization of prepaid advertising services	--	--	--
Stock compensation expense	--	1,244,888	3,104
Loss on sale of property and equipment	--	--	--
Changes in operating assets and liabilities			
Accounts receivable	(9,249)	(229,821)	(302,366)
Prepaid advertising and other current assets	14,049	(66,909)	(121,858)
Trade accounts payable	23,506	115,204	711,060
Income tax payable	4,541	(2,936)	--
Accrued expenses and other current liabilities	17,887	104,521	342,267
Other long term assets	--	(59,210)	(79,475)
Net cash used in operating activities	(630,585)	(2,666,452)	(5,094,737)
Cash flows from investing activities			
Purchase of intangibles	--	(13,955)	(42,706)
Purchase of property and equipment	(109,486)	(260,220)	(930,470)
Proceeds from sale of equipment	--	--	--
Net cash used in investing activities	(109,486)	(274,175)	(973,176)
Cash flows from financing activities			
Proceeds from issuance of common stock	449,200	4,911,005	9,666,464
Proceeds from exercise of stock options and warrants	--	149,248	1,099,821
Proceeds from loan	511,960	--	--
Principal payments on leases	--	--	(10,812)
Net cash provided by financing activities	961,160	5,060,253	10,755,473
Effect of exchange rate on cash	(753)	(45,307)	5,858
Net increase in cash and cash equivalents	220,336	2,074,319	4,693,418
Cash and cash equivalents, beginning of period	47,572	267,908	2,342,227
Cash and cash equivalents, end of period	$ 267,908	$ 2,342,227	$ 7,035,645
Supplemental disclosure of cash flow information			
Interest paid	$ --	$ 41,441	$ --
Taxes paid	368	8,518	10,625
Issuance of common stock for advertising services and intangibles	--	--	--
Purchase of equipment under capital lease			

obligations	--	--
41,083		
Conversion of debt to common stock	--	435,558
--		

Nine Months ended September 30, 1998 1999 (Unaudited)

Cash flows from operating activities		
Net loss	$ (3,061,815)	$ (21,286,459)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	103,702	5,028,225
Provision for doubtful accounts	--	70,000
Amortization of prepaid advertising services	--	390,000
Stock compensation expense	--	420,164
Loss on sale of property and equipment	--	205,698
Changes in operating assets and liabilities		
Accounts receivable	(103,514)	(1,390,281)
Prepaid advertising and other current assets	(368,095)	(7,639,183)
Trade accounts payable	511,984	1,298,681
Income tax payable	(3,968)	21,429
Accrued expenses and other current liabilities	208,898	951,232
Other long term assets	--	(278,960)
Net cash used in operating activities	(2,712,808)	(22,209,454)
Cash flows from investing activities		
Purchase of intangibles	(39,343)	--
Purchase of property and equipment	(617,784)	(2,779,855)
Proceeds from sale of equipment	--	27,154
Net cash used in investing activities	(657,127)	(2,752,701)
Cash flows from financing activities		
Proceeds from issuance of common stock	7,133,395	40,360,695
Proceeds from exercise of stock options and warrants	1,099,821	261,122
Proceeds from loan	--	--
Principal payments on leases	--	(53,118)
Net cash provided by financing activities	8,233,216	40,568,699
Effect of exchange rate on cash	54,572	(87,903)
Net increase in cash and cash equivalents	4,917,853	15,518,641
Cash and cash equivalents, beginning of period	2,342,227	7,035,645
Cash and cash equivalents, end of period	$ 7,260,080	$ 22,554,286
Supplemental disclosure of cash flow information		
Interest paid	$ --	$ --
Taxes paid	4,022	6,986
Issuance of common stock for advertising services and intangibles	--	24,655,875
Purchase of equipment under capital lease obligations	--	185,785
Conversion of debt to common stock		--

The results for all periods have been restated to reflect the acquisition of PrizePoint Entertainment Corporation which was completed on June 7, 1999 and accounted for as a pooling of interests.

The accompanying notes are an integral part of these consolidated financial statements Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.)

Notes to Consolidated Financial Statements (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (1) Nature of business The Company was originally formed in February 1995 as E-Pub Services Limited, a corporation organized under the laws of Ireland. In July 1997, due to tax matters related to the trading of our shares on the third tier of the Vienna Stock Exchange, we formed Uproar Ltd., a corporation organized under the laws of Bermuda.

All shareholders in E-Pub Services Limited became shareholders in Uproar Ltd. by exchanging their shares in E-Pub Services Limited for shares in Uproar Ltd. at a ratio of 1:1. The transaction was accounted for as a transaction between companies under common control and therefore there was no adjustment to the historical basis of the assets and liabilities of E-Pub Services Limited.

The Company is a leading provider of online game shows and interactive multi-player games that appeal to a broad audience. The Company seeks to attract a large, quality audience by offering highly engaging and "sticky" products. Players access the products free of charge, the Company's revenue primarily being generated through the sale of advertising. The Company operates in one business segment.

(2) Significant accounting policies and procedures (a) Principles of consolidation The consolidated financial statements comprise the accounts of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated upon consolidation.

(b) Interim financial statements The financial statements as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999, have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position as of September 30, 1999 and the results of operations and cash flows for the nine months ended September 30, 1998 and 1999 have been made. Certain information and footnote disclosures related to these nine month periods normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or eliminated.

(c) Cash equivalents

The Company considers all highly liquid investments with a maturity of three months or less at the time of acquisition to be cash equivalents. Cash equivalents at December 31, 1997, 1998 and September 30, 1999 consist primarily of money market funds. Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash and cash equivalents and accounts receivable. Cash and cash equivalents are deposited with high credit quality financial institutions. The Company's accounts receivable are derived from revenue earned from customers located in the United States and throughout the world.

(d) Fair value of financial instruments The Company's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses are carried at cost, which approximates their fair value because of the short-term maturity of these instruments.

(e) Currency translation and transactions The reporting currency for the Company is the United States Dollar (USD). The functional currency for the Company's operations is generally the applicable local currency. Accordingly, the assets and liabilities of the subsidiaries whose functional currency is other than the USD are included in the consolidated financial statements by translating the assets and liabilities into the reporting currency at the exchange rates applicable at the end of the reporting year. The statements of operations and cash flows of such non-USD functional Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.)

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (2) Significant accounting policies and procedures -- (Continued) currency operations are translated at the average exchange rate for the reporting year. Translation gains or losses are accumulated as a separate component of stockholders' equity. Currency transaction gains or losses arising from transactions of the Company in currencies other than the functional currency are included in operations for each reporting period.

(f) Property and equipment Property and equipment are stated at cost. Depreciation on property and equipment is calculated on the straight-line method over the estimated useful lives of the assets as follows:

	Years
Furniture and fixtures	8
Computer equipment and software	3

(g) Intangible assets Intangible assets consist principally of intangible assets arising from the agreement with Pearson Television to be amortized on a straight-line basis over the thirty-three month life of the agreement. Other intangible assets consist of costs incurred in relation to trademarks and license fees. These assets are amortized over five years, which is the estimated period of benefit, on a straight-line basis.

(h) Impairment of long-lived assets and long-lived assets to be disposed of Long-lived assets and certain identifiable intangibles are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

(i) Stock based compensation The Company accounts for stock based compensation under the intrinsic-value based method of accounting prescribed by Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issues to Employees," and discloses the effect of the difference in applying the fair value based method of accounting on a pro forma basis, as required by SFAS No. 123 "Accounting for Stock-Based Compensation."

(j) Revenue recognition Advertising revenues are derived principally from short-term advertising contracts in which the Company typically guarantees its advertising customers a minimum number of impressions to be delivered to users of its Web sites over a specified period of time for a fixed fee. Contracts are invoiced monthly in accordance with delivery of advertising services during the month. Advertising revenues are recognized ratably in the period in which the advertisement is displayed, provided that no significant Company obligations remain. To the extent that minimum guaranteed impressions are not met, the Company defers recognition of the corresponding revenues until the guaranteed impressions are achieved. Advertising revenues were approximately 0%, 79%, 74% and 99% of total revenues for the years ended December 31, 1996, 1997, 1998, and nine months ended September 30, 1999, respectively.

Revenues include barter revenues from the exchange by the Company of services or advertising space on the Company's Web sites for reciprocal advertising or promotional services including prizes. Revenues from these barter transactions are recorded at the estimated fair value of the services or advertisements delivered, Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.)

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (2) Significant accounting policies and procedures -- (Continued) unless the fair value of the goods or services received is more objectively determinable, and are recognized when the advertisements are run on the Company's Web sites or services are provided. The related expense is recorded when it is incurred and classified as sales and marketing expenses or cost of revenues in accordance with the terms of the barter agreement.

Barter revenues represented 0%, 0%, 22% and 18% of total revenues for the years ended December 31, 1996, 1997, 1998, and the nine months ended September 30, 1999, respectively.

In 1996, revenue from one related company accounted for 47% of total revenues while another accounted for 15% of total revenues. In 1997, one advertising customer accounted for 14% of total revenues and another accounted for 11%. In 1998, one advertising customer accounted for 21% of total revenues while another customer accounted for 12%. For the nine months ended September 30, 1999, one advertising customer accounted for 12% while another advertising customer accounted for 10% of total revenues.

(k) Cost of revenues

Cost of revenues is comprised of prize expenses, Internet service charges, and a portion of computer equipment and software depreciation.

(l) Product development and advertising Product development costs and advertising costs are expensed as incurred. Advertising costs, which are included in sales and marketing expenses, amounted to $55,271, $188,000, $1,847,000 and $7,831,000 in the years ended 1996, 1997 and 1998, and the nine months ended September 30, 1999 respectively.

(m) Business segment reporting The Company has determined that it does not have any separately reportable business segments. However related disclosures about products and services, geographic areas and major customers are included in note 17.

(n) Income taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

(o) Net loss per share The Company computes net loss per share in accordance with SFAS No. 128, "Earnings per Share". Basic net income per share is computed by dividing the net loss available to common stockholders for the period by the weighted average number of common shares outstanding during the period. Diluted net loss per share is computed by dividing the net loss for the period by the weighted average number of common and common equivalent shares outstanding during the period. Common equivalent shares, composed of incremental common shares issuable upon the exercise of stock options and warrants, are included in net loss per share to the extent such shares are dilutive. Common stock equivalents were not included in loss per share for any periods presented since they were anitdilutive. Potentially dilutive common stock equivalents for the years ended December 31, 1996, 1997, 1998 and nine months ended September 30, 1999 amounted to 900,000, 1,055,460, 448,600, and 2,468,632 respectively.

Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.)

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (2) Significant accounting policies and procedures -- (Continued) (p) Use of estimates The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Significant estimates made by the Company include the useful lives and recoverability of long-lived assets.

(q) Recent accounting pronouncements In 1998, the Company adopted SFAS No. 130, "Reporting Comprehensive Income," and SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information." The Company adopted these statements effective July 1, 1998 and June 30, 1999, respectively. These statements modified or expanded the Company's stockholders' equity and segment disclosures and had no impact on the Company's results of operations, financial position or cash flows.

In 1998, the Financial Accounting Standards Board (FASB) issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." This statement, which is effective for fiscal years beginning after June 15, 2000, will require the Company to recognize all derivatives on the balance sheet at fair value. Derivatives that are not hedges must be adjusted to fair value through earnings. If the derivative is an effective hedge, changes in its fair value will be offset against the change in the fair value of the hedged item in either other comprehensive income or earnings. The ineffective portion of a derivative classified as a hedge will be immediately recognized in earnings. The Company is required to adopt the new statement effective July 1, 2000, and has not yet determined the effect SFAS No. 133 will have on its results of operations and financial position. This statement is not required to be applied retroactively to financial statements of prior periods.

In 1998, the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants (AICPA) issued Statement of Position 98-1, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use." This statement, which is effective for fiscal years

beginning after December 15, 1998, requires the Company to capitalize certain internal-use software costs once certain criteria are met. This statement did not have any effect on the Company's results of operations, financial position or cash flows.

In 1998, the Company adopted SFAS No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits." This statement did not have any effect on the Company's results of operations, financial position or cash flows.

In 1998, the Company adopted SFAS No. 128, "Earnings Per Share." The Company has reported on the income statement basic and diluted loss per share for all periods presented.

(3) PrizePoint acquisition On June 7, 1999, the Company completed an acquisition of PrizePoint Entertainment Corporation ("PrizePoint"), a provider of online single-player games. Under the terms of the acquisition agreement the Company exchanged approximately 1.22 million shares of its common stock in exchange for all of the outstanding shares of common stock of PrizePoint. Fractional shares were acquired for $19,380 and then Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.)

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (3) PrizePoint acquisition -- (Continued) retired. All outstanding PrizePoint preferred shares were converted into PrizePoint common stock immediately prior to the acquisition. The acquisition has been accounted for as a pooling of interests and, accordingly, the Company's consolidated financial statements have been restated to include the accounts and operations of PrizePoint for all periods prior to the merger.

Separate revenues and net loss amounts for the year ended December 31, 1998 and three months ended March 31, 1999 are summarized below:

	December 31, 1998	March 31, 1999 (Unaudited)
Revenues		
Uproar	$ 1,632,969	$ 963,418
PrizePoint	--	47,750
	1,632,969	1,011,168
Net loss		
Uproar	(4,602,027)	(4,399,357)
PrizePoint	(1,228,623)	(818,575)
	$ (5,830,650)	$ (5,217,932)

PrizePoint was formed in March 1998 and recognized revenues beginning in the first quarter of 1999. Adjustments to eliminate the sale of advertising between Uproar Inc. and PrizePoint reduced combined net revenue by $12,000 for the three months ended March 31, 1999.

(4) Property and equipment

	December 31,		September 30,
	1997	1998	1999
Computer equipment	$ 188,695	$ 963,053	$3,009,067
Purchased software	36,872	162,768	508,290
Furniture and fixtures	165,073	247,184	550,689
	390,640	1,373,005	4,068,046

Less accumulated depreciation	(87,162)	(261,039)	(685,932)
	$ 303,478	$1,111,966	$3,382,114

Depreciation expense for 1996, 1997, 1998, and for the nine months ended September 30, 1999 was $26,070, $56,556, $173,878 and $474,497 respectively.

Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.)

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (5) Intangible assets, net Intangible assets consist of the following:

	December 31,		September 30,
	1997	1998	1999
Intangible benefits of Pearson Agreement	$ --	$ --	$ 16,673,875
Patents	3,510	3,510	3,510
Trademarks	7,505	6,345	6,310
Licenses	2,940	45,622	44,823
Other	--	1,183	1,369
	13,955	56,660	16,729,887
Less accumulated amortization	--	(9,303)	(4,563,031)
	$ 13,955	$ 47,357	$ 12,166,856

(6) Other current assets Other current assets consist of the following:

	December 31,		September 30,
	1997	1998	1999
Prepaid insurance	$ 27,602	$ 19,864	$ 225,832
Prepaid professional fees	--	--	226,871
Other	--	4,825	--
	$ 27,602	$ 24,689	$ 452,703

(7) Prepaid advertising

	December 31,		September 30,
	1997	1998	1999
Prepaid advertising	$ 76,556	$ 201,327	$ 7,412,496
Prepaid Pearson advertising -- note 14(b)	--	--	3,795,996
	$ 76,556	$ 201,327	$ 11,208,492
Long term portion of prepaid Pearson advertising -- note 14(b)	$ --	$ --	$ 3,796,004

Non-Pearson prepaid advertising as of September 30, 1999 consists of amounts paid for media buys in connection with a brand marketing campaign, which ran in October and November, 1999.

(8) Other long term assets Other long term assets consist of the following:

	December 31,		September 30,
	1997	1998	1999
Security deposits	$ 59,210	$ 125,035	$ 141,349
Restricted cash	--	13,650	276,296
	$ 59,210	$ 138,685	$ 417,645

Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.)

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (9) Accrued expenses Accrued expenses consist of the following:

	December 31,		September 30,
	1997	1998	1999
Advertising	$ --	$ 33,825	$ 850,764
Severance	--	--	167,394
Prizes and awards	--	59,638	104,191
Commission and salaries	21,020	95,675	82,953
Deferred revenue	--	30,000	--
Interest	22,698	--	--
Bonus	46,400	91,757	--
Legal fees	--	57,642	17,000
Fees and other expenses	20,528	65,460	44,581
Other accruals	25,000	37,909	118,007
	$ 135,646	$ 471,906	$1,384,890

Accrued advertising consists of uninvoiced online banner advertising purchased by and delivered to the Company.

(10) Other current liabilities

	December 31,		September 30,
	1997	1998	1999
Unemployment taxes payable	$ --	$ --	$ 4,860
Employee contributions	--	--	11,329
Income taxes payable	--	--	21,429
Other payables	9,181	15,188	37,247
	$ 9,181	$ 15,188	$ 74,865

(11) Stockholders' equity During 1996 700,000 shares of common stock were sold in a private placement. Net proceeds to the Company were $644,518.

During 1997, 2,000,000 shares of common stock were sold in a private placement. Net proceeds to the Company were $4,715,687.

In accordance with their original terms, during 1997 loan notes totaling NLG 832,000 ($435,558) were converted to common stock at a rate of NLG 18.756 for every twenty shares, which resulted in the issuance of 887,300 shares.

E-Pub Services Limited was the predecessor company to Uproar Limited. During 1997, 5,587,300 common shares in E-Pub Services Limited, representing 100% of the equity ownership, were exchanged at the ratio of 1:1 for the common shares in Uproar Limited, a company under common control, at that time a non-operating shell company.

During 1998, 2,379,180 shares of common stock were sold in private placements. Net proceeds to the Company were $9,666,464.

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (11) Stockholders' equity -- (Continued) In January 1999, 500,000 shares of common stock were sold in a private placement. Net proceeds to the Company totaled $9,344,654.

In January 1999, 1,000,000 shares of common stock were issued to Pearson Television Limited in exchange for intangible benefits, advertising services and cash of $124,599. The fair value of the common stock sold was $24,780,474. See Note 14(b).

In January 1999, 21,680 shares of common stock were sold in a private placement for $250,000.

On April 1, 1999 the par value of the Company's common stock was changed from 1 Irish Punt to $0.05. Subsequently the Company effected a 20 for 1 stock split. The net effect of these transactions was a $230,883 transfer from common stock to additional paid-in capital. All prior period stock transactions have been restated to reflect the impact of the stock split.

In June 1999, 21,680 warrants, which had been issued by PrizePoint during 1998 were exercised at an aggregate exercise price of $250,000.

In July 1999 the Company completed the sale of 1,416,000 shares on the EASDAQ stock exchange. Net proceeds to the Company totaled $30,660,822.

(12) Stock compensation plan As of December 31, 1998 the Company had one stock-based compensation plan. The plan authorizes the granting of options to acquire the Company's common stock to selected key employees, who also may be officers, and to non-employee directors. Options granted prior to July 1, 1997 were granted with an exercise price above the common stock's market value at the date of grant and became fully exercisable on December 31, 1997. The original expiration date of these options was also December 31, 1997. On December 31, 1997, the exercise price of these options was increased by 15% and the expiration date was extended to June 30, 1998. Compensation expense for the excess of the market value over the exercise price, aggregating $1,244,888 was recorded at that time. Generally 50% of the options granted under this plan vest and become fully exercisable two years from the date of grant and the remaining 50% vest and become fully exercisable three years from the date of grant. During 1998 and the first nine months of 1999 the Company granted options under this plan with exercise prices less than the fair value of the common stock which resulted in stock compensation expense of $894,790. This amount is recorded as compensation expense over the vesting periods, and amounted to $3,104 and $420,164 for the year ended December 31, 1998 and nine months ended September 30, 1999, respectively.

During 1999, the Company established the Uproar Limited 1999 Share Option/Share Issuance Plan (the "1999 Plan"). The 1999 Plan authorizes the Company to grant its employees, its non-employee directors and its consultants options to purchase shares of the Company's common stock, as well as to issue shares directly to such persons without any intervening option grants. The exercise period for options granted under the Plan can be no more than ten years from the date of grant. The exercise price of each such option was the market value of a share of the Company's common stock on the date of grant.

The Company applies APB Opinion No. 25 and related interpretations in accounting for its stock compensation plans. The compensation cost charged against income was $0, $1,244,888, $3,104, and $420,164 for the periods ended December 31, 1996, 1997, 1998 and September 30, 1999 respectively. Had compensation cost been determined in accordance with the provisions of Statement of Financial SFAS No. 123, the Company's net loss and net loss per share would have been the pro forma amounts indicated below. The fair values of the options for the pro-forma calculations are computed using the Black-Scholes method.

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (12) Stock compensation plan -- (Continued)

	December 31,			
	1996	1997	1998	September 30, 1999
Net Loss				
As reported	$ (707,389)	$(3,828,745)	$(5,830,650)	$(21,286,459)
Proforma	(707,389)	(3,890,803)	(6,678,354)	(22,364,461)
Basic loss per share				
As reported	$ (0.33)	$ (0.85)	(0.79)	$ (2.00)
Proforma	(0.33)	(0.86)	(0.91)	(2.10)
Weighted average shares outstanding	2,129,042	4,517,464	7,348,556	10,649,857
Option pricing model assumptions:				
Expected dividend yield	0%	0%	0%	0%
Average option life	--	2.5 years	2 years	2.5 years
Volatility	0%	70%	70%	60%
Risk free interest rate	0%	3%	3%	6%

Stock option activity during the periods indicated is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, December 31, 1996	900,000	$ 1.47
Granted	300,000	4.85
Exercised	(144,540)	1.28
Outstanding, December 31, 1997	1,055,460	2.45
Granted	164,600	4.64
Exercised	(762,120)	1.53
Cancelled	(9,340)	4.88
Outstanding, December 31, 1998	448,600	4.77
Granted	2,039,175	18.21
Exercised	(3,410)	3.29
Cancelled	(15,733)	11.94
Outstanding, September 30, 1999	2,468,632	$ 15.64

At September 30, 1999 the weighted-average exercise price and average remaining contractual life of outstanding options was $15.64 and 9.58 years remaining, respectively. 415,995 shares are available for grant and 646,987 shares are exercisable at September 30, 1999.

Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.)

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (13) Income taxes The Company's income tax expense is comprised of the following:

	Year Ended December 31,			September 30,
	1996	1997	1998	1999
Current income tax expense				
Bermuda	$ --	$ --	$ --	$ --
Rest of the world	4,909	5,582	9,020	44,324
Total income tax expense	$4,909	$5,582	$9,020	$44,324

	Year Ended December 31,			September 30,
	1996	1997	1998	1999
Sources of loss before income tax				
Bermuda	--	$ (32,739)	$ (89,514)	$ (8,104,597)
Rest of the world	(702,480)	(3,790,424)	(5,732,116)	(13,137,538)
Loss before income taxes	$ (702,480)	$ (3,823,163)	$ (5,821,630)	$ (21,242,135)

The components of the net deferred tax asset as of December 31, 1997, 1998 and September 30, 1999 consist of the following:

	December 31,		September 30,
	1997	1998	1999
Net operating loss carryforwards	$ (424,339)	$ (1,939,221)	$ (6,765,334)
	(424,339)	(1,939,221)	(6,765,334)
Less valuation allowance	424,339	1,939,221	6,765,334
Deferred tax assets, net	$ --	$ --	$ --

The operating loss carryforwards are comprised of the losses incurred in the UK and US subsidiaries. The Bermudan company enjoyed tax-free status and the only other subsidiary, which is in Hungary, is profitable. As at September 30, 1999, the Company has net operating loss carryforwards for income tax purposes of approximately $19,974,000, which expire in various amounts through 2019. The deferred tax asset has been fully reserved because the Company believes it is more likely than not that the deferred tax assets will not be recovered.

(14) Significant agreements (a) Cable and Wireless On December 22, 1998, the Company entered into a development agreement, and signed head terms of a carriage agreement, with Cable & Wireless Communications ("CWC"), the largest cable television franchise owner in the UK. The agreement provides for CWC to distribute up to 14 Uproar game shows on an interactive service offered via its digital cable television which was launched by CWC on October 15, 1999. A full carriage agreement was signed in September 1999, which provides for the Company to have an anchor position within the

games and entertainment channel on the CWC service and to participate in promotion opportunities on the service. The Company pays CWC a carriage fee for which CWC guarantees Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.)

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (14) Significant agreements -- (Continued) placement within the service. In addition, the agreement provides that CWC is entitled to a portion of advertising revenue from the games upon the interactive service. The agreement is for an initial three-year period from launch of the Uproar games on the CWC interactive service, and then automatically continuing with a provision for a six-month notice of cancellation.

(b) Pearson Television On January 13, 1999, the Company entered into an agreement with Pearson Television Limited ("Pearson"), whereby Pearson acquired 1,000,000 common shares of the Company in exchange for intangible assets, advertising services to be provided over a thirty-month period commencing April 1, 1999 and cash of $124,599.

The market value of the common shares acquired by Pearson was $24,780,474 of which $24,655,875, net of the $124,599 cash payment was attributable to intangible assets and prepaid advertising services. In accounting for the transaction the Company capitalized intangible assets of $16,673,875 and prepaid advertising services of $7,982,000, their estimated fair value. During the nine month period ended September 30, 1999, amortization of intangible assets totaled $4,547,420 and amortization of prepaid advertising services amounting to $390,000 was recorded as advertising expense.

Should Pearson meet certain television distribution targets for its game shows in the United States, they will be granted 200,000 additional common shares between September 1999 and August 2000 and a further 200,000 shares between September 2000 and August 2001. See note 15.

Also, in consideration of a license fee, payable from related revenue, Uproar acquired a license to exploit certain Pearson game shows. Net revenues generated by the game shows are split between the Company and Pearson based on a pre-determined formula.

(c) Telefonica

On September 29, 1999, the Company entered an agreement with Telefonica Interactiva De Contenidos ("Telefonica"), a Spanish corporation, to establish and develop Uproar products and the Uproar media property in the Spanish and Portuguese languages. The agreement requires Uproar to license distribution rights to Telefonica, and provide services and support to Telefonica for the operations of the Web sites in exchange for which Telefonica has agreed to pay Uproar exclusivity fees. Telefonica will distribute the Uproar Web sites online for the Spanish and Portuguese language markets from Telefonica's online properties, in exchange for which Uproar has agreed to pay Telefonica a portion of the revenue generated on the Uproar Web sites. The agreement term is for an initial three-year period from the date of the agreement, and then can be extended for an additional twelve-month period.

(15) Commitments and contingencies (a) Pearson Television Under the terms of the Pearson agreement (see note 14), should Pearson meet certain television distribution targets for its game shows in the United States, they will be granted 200,000 additional common shares between September 1999 and August 2000 and a further 200,000 shares between September 2000 and August 2001. Since as of September 30, 1999 it is not considered probable that the distribution target under the Pearson Television agreement will be met, no accounting has been provided for this transaction in these financial statements.

Uproar Inc. and Subsidiaries (Formerly Uproar Ltd.)

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (15) Commitments and contingencies -- (Continued) (b) Legal claim In 1997, E-Pub Inc., a wholly-owned subsidiary, was named in an action entitled "Burgos v. Ellwell Associates, LLC and E-Pub Inc", relating to an alleged personal injury. The plaintiff seeks damages of $6 million against Ellwell Associates, the landlord of the building in which E-Pub Inc's office is located, and E-Pub Inc.

Through September 30, 1999, certain limited written discovery was exchanged by the parties. Although the plaintiff has not yet specified the precise extent and severity of his alleged injuries, the Company has recently received documentary information suggesting that the plaintiff's injuries no longer prevent him from gainful employment. Uproar Inc. has asserted a cross claim against the landlord, seeking to hold the landlord responsible for any injuries sustained by the plaintiff, and has also asserted a claim against the plaintiff's employer for similar relief.

Uproar Inc. has denied liability and will vigorously defend the action in the future. No provision to date has been made in the financial statements, including those as of September 30, 1999 as Uproar Inc., having taken legal advice, is unable to estimate the extent of any potential liability with reasonable accuracy at this time.

(c) Other commitment

In connection with an office lease the Company has a letter of credit outstanding of approximately $270,000.

(16) Leases

The Company has several non-cancelable operating leases, primarily for office space. These leases generally contain renewal options for periods ranging from three to five years and require the Company to pay all executory costs such as maintenance and insurance. Rental expense for operating leases was $43,598, $105,645, $159,121, and $416,900 for the years ended December 31, 1996, 1997, 1998, and for the nine months ended September 30, 1999 respectively. The interest rate on the capital leases was approximately 1%.

Future minimum lease payments under non-cancelable leases (with initial or remaining lease terms in excess of one year) as of December 31, 1998 are:

	Capital Leases	Operating Leases

Twelve months ended December 31,		
1999	$107,984	$ 437,725
2000	74,570	587,585
2001	--	518,141
2002	--	326,194
Thereafter	--	298,922
Total minimum lease payments	$182,554	$2,168,567
Less amounts representing interest	(8,804)	
Current portion of capital leases	102,777	
Long term capital lease obligation	$ 70,973	

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (17) Segment reporting In presenting segment information the Company has applied the provisions of SFAS No. 131.

The Company attributes revenues to different geographic areas on the basis of the location of the customer. Revenues by geographic area are as follows:

	Revenues			
	December 31,			September 30,
	1996	1997	1998	1999
United States	$15,888	$332,555	$1,545,663	$5,160,682
England	--	8,727	83,120	114,214
Ireland	--	--	--	--
Hungary	25,648	6,612	--	--
Bermuda	--	--	--	--
Other	18,162	815	4,186	--
Total	$59,698	$348,709	$1,632,969	$5,274,896

Investment of long-lived assets by geographic area are as follows:

	Property and Equipment and Intangible Assets		
	December 31,		September 30,
	1997	1998	1999
United States	$215,281	$ 962,880	$ 3,123,910
England	20,238	35,399	77,366
Ireland	36,461	20,532	--
Hungary	45,453	108,040	190,978
Bermuda	--	32,472	12,156,716
Other	--	--	--
Total	$317,433	$1,159,323	$15,548,970

The Company has determined that it does not have any separately reportable business segments.

(18) Pension and other post-retirement plans Effective January 1, 1998, the Company established a 401(k) salary deferral plan (the "401(k) Plan") on behalf of its U.S. employees. The 401(k) Plan is a qualified defined contribution plan and allows employees to defer up to 15% of their compensation, subject to certain limitations. Under the 401(k) Plan, the Company has the discretion to match contributions made by the employee. The Company made no matching contributions in 1998 or the first nine months of 1999.

Notes to Consolidated Financial Statements -- (Continued) (Information as of September 30, 1999 and for the nine months ended September 30, 1998 and 1999 is unaudited) (19) Subsequent events (a) Incorporation of Uproar GmbH On October 29, 1999, the Company incorporated a German company, Uproar GmbH. Uproar GmbH has a relationship with DoubleClick in which DoubleClick is responsible for the Company's advertising sales in the German market. Uproar GmbH is a wholly owned subsidiary of Uproar Inc.

(b) Incorporation of Uproar Inc.

On December 16, 1999, Uproar Inc. was incorporated in Delaware. Uproar Limited will be domesticated to Delaware on or before January 3, 2000 after which Uproar Inc. will merge into such domesticated corporation. Since both companies are under common control there will be no adjustment to the historical basis of the assets and liabilities of Uproar Limited.

Shares

Uproar Inc.

Common Stock

[Logo]

P R O S P E C T U S

, 1999

Salomon Smith Barney Bear, Stearns & Co. Inc. Banc of America Securities LLC Wit Capital Corporation

Part Ii

Information Not Required in Prospectus

Item 13. Other Expenses of Issuance and Distribution The following table sets forth the estimated costs and expenses, other than the underwriting discount, payable by the registrant in connection with the sale of the common stock being registered.

Amount to be Paid

SEC registration fee	$26,400
NASD filing fee	10,500
Nasdaq National Market listing fee	17,500
Legal fees and expenses	500,000
Accounting fees and expenses	300,000
Printing and expenses	170,000
Blue sky fees and expenses	5,000
Transfer agent and registrar fees and expenses	15,000

Miscellaneous	455,600
Total	$1,500,000

Item 14. Indemnification of Directors and Officers The registrant's Certificate of Incorporation in effect as of the date hereof, and the registrant's Certificate of Incorporation to be in effect upon the closing of this offering (collectively, the "Certificate") provides that, except to the extent prohibited by the Delaware General Corporation Law, as amended (the "DGCL"), the registrant's directors shall not be personally liable to the registrant or its stockholders for monetary damages for any breach of fiduciary duty as directors of the registrant. Under the DGCL, the directors have a fiduciary duty to the registrant which is not eliminated by this provision of the Certificate and, in appropriate circumstances, equitable remedies such as injunctive or other forms of non-monetary relief will remain available. In addition, each director will continue to be subject to liability under the DGCL for breach of the director's duty of loyalty to the registrant, for acts or omissions which are found by a court of competent jurisdiction to be not in good faith or involving intentional misconduct, for knowing violations of law, for actions leading to improper personal benefit to the director, and for payment of dividends or approval of stock repurchases or redemptions that are prohibited by DGCL. This provision also does not affect the directors' responsibilities under any other laws, such as the Federal securities laws or state or Federal environmental laws. The registrant has obtained liability insurance for its officers and directors.

Section 145 of the DGCL empowers a corporation to indemnify its directors and officers and to purchase insurance with respect to liability arising out of their capacity or status as directors and officers, provided that this provision shall not eliminate or limit the liability of a director: (1) for any breach of the director's duty of loyalty to the corporation or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) arising under Section 174 of the DGCL, or (4) for any transaction from which the director derived an improper personal benefit. The DGCL provides further that the indemnification permitted thereunder shall not be deemed exclusive of any other rights to which the directors and officers may be entitled under the corporation's bylaws, any agreement, a vote of stockholders or otherwise. The Certificate eliminates the personal liability of directors to the fullest extent permitted by Section 102(b)(7) of the DGCL and provides that the registrant shall fully indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or officer of the registrant, or is or was serving at the request of the registrant as a director or officer of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding.

Item 15. Recent Sales of Unregistered Securities The Registrant has sold and issued the following securities since February 7, 1995 (inception):

1. From February 7, 1995 to September 30, 1999, the Registrant issued and sold 10,038,160 shares of common stock at prices ranging from $0.08 to $23.43 per share.

2. In 1997, the Registrant issued 887,300 shares of common stock upon the conversion of convertible notes.

3. In 1997, the Registrant issued 144,540 shares of common stock upon the exercise of options at a weighted average exercise price of $0.94.

4. In 1998, the Registrant issued 762,120 shares of common stock upon the exercise of options at a weighted average exercise price of $1.33.

5. Since December 31, 1998, the Registrant issued 3,410 shares of common stock upon the exercise of options at an exercise price of $3.29 per share.

The sales of the above securities were deemed to be exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act. The recipients of securities in each of these transactions represented their intention to acquire the securities for investment only and not with view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the share certificates and instruments issued in such transactions. All recipients had adequate access, through their relationship with the Registrant, to information about the Registrant.

Item 16. Exhibits and Financial Statement Schedules (a) Exhibits.

Number Description

1.1*	Form of underwriting agreement.
3.1	Certificate of incorporation for Uproar Inc.
3.2	Bylaws for Uproar Inc.
3.3	Certificate of incorporation for Uproar Ltd.
3.4	Memorandum of association for Uproar Ltd.
3.5	Bye-laws of Uproar Ltd.
4.1*	Specimen common stock certificate.
4.2	See Exhibits 3.1 and 3.2 for provisions of the certificate of incorporation and bylaws defining the rights of holders of common stock.
5.1*	Opinion of Brobeck, Phleger & Harrison LLP.
5.2*	Opinion of M.L.H. Quin & Co., Bermuda counsel to Registrant.
10.1*	1999 Stock Option Plan.
10.2	Employment agreement, dated September 6, 1999, by and between Kenneth D. Cron and the Registrant.
10.3	Lease agreement, as amended, dated April 19, 1999, by and between Nassau Bay Associates, L.P., and the Registrant.
10.4	Lease agreement, dated November 9, 1999, by and between Golden Van Associates, LLC, and the Registrant.
10.5	Lease agreement, dated September 7, 1998, by and between ANU Kft. and the Registrant.
10.6*	Agreement and plan of reorganization, dated April 29, 1999, by and between PrizePoint Entertainment Corporation and the Registrant.
10.7*+	Internet game development agreement, dated January 12, 1999, by and between Pearson Television, Inc. and the Registrant.
10.8*+	License and services agreement, dated September 29, 1999, by and between Telefonica Interactiva de Contenidos and the Registrant.
10.9	Employment agreement, dated December 20, 1999, by and between Michael K. Simon and the Registrant.
10.10*	Stock Incentive Plan.
16.1*	Letter from PricewaterhouseCoopers LLP:

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  21.1      List of Subsidiaries.
  23.1      Consent of Brobeck, Phleger & Harrison LLP.

.2       Consent of KPMG Hungaria Kft.
23.3       Consent of Arthur Andersen LLP:
24.1       Powers of attorney (see Signature Page).
27.1       Financial Data Schedule.
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* To be filed by amendment. + Confidential treatment request to be filed with the Securities and Exchange Commission.

Item 17. Undertakings The undersigned registrant hereby undertakes to provide to the Underwriter at the closing specified in the Underwriting Agreement, certificates in such denominations and registered in such names as required by the Underwriter to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4), or 497(h) under the Securities Act of 1933, shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Signatures

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on this 21st day of December, 1999.

Uproar Inc.

By: /s/ Kenneth D. Cron Kenneth D. Cron Chairman of the Board of Directors and Chief Executive Officer

Power of Attorney

We, the undersigned directors and/or officers of Uproar Inc. (the "Company"), hereby severally constitute and appoint Kenneth D. Cron, Chairman of the Board of Directors and Chief Executive Officer, and Christopher R. Hassett, Director, President and Chief Operating Officer, and each of them individually, with full powers of substitution and resubstitution, our true and lawful attorneys, with full powers to them and each of them to sign for us, in our names and in the capacities indicated below, the registration statement on Form S-1 filed with the Securities and Exchange Commission, and any and all amendments to said Registration Statement (including post-effective amendments), and any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, in connection with the registration under the Securities Act of 1933, as amended, of equity securities of the Company, and to file or cause to be filed the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as each of them might or could do in person, and hereby ratifying and confirming all that said attorneys, and each of them, or their substitute or substitutes, shall do or cause to be done by virtue of this Power of Attorney.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons in the capacities indicated on December 21, 1999:

Signature Title(s)

```
/s/ Kenneth D. Cron
- ------------------------------------     Chairman of the Board of Directors and Chief
Kenneth D. Cron                          Executive Officer (principal executive officer)
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/s/ Christopher R. Hassett President, Chief Operating Officer and Director Christopher R. Hassett

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/s/ Michael K. Simon
- ------------------------------------     Chief Financial Officer and Director (principal
Michael K. Simon                         accounting and financial officer)
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/s/ Thompson B. Barnhardt Director Thompson B. Barnhardt Director Esther Dyson /s/ Catherine V. Mackay Director Catherine V. Mackay

Index to Exhibits

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