Safe Harbor Disclosure

Please review our SEC filings on Form 10-K and Form 10-Q

The statements contained in this presentation that are not historical facts are forward-looking statements, including, but not limited to, statements about (1) projections of revenues, expenses, income or loss, earnings or loss per share, cash flow or other financial items; (2) statements of our plans and objectives; (3) statements of future financial or operating performance; and (4) statements about the completion, timing, financing and impact of the recently announced transactions, described herein. The company generally uses words such as "outlook," "will," "could," "should," "would," "might," "remains," "to be," "plans," "believes," "may," "expects," "intends as," "anticipates," "estimate," "future," "plan," "positioned," "potential," "project," "scheduled," "set to," "subject to," "upcoming" and similar expressions to identify forward-looking statements. These forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties.

The Company cautions that a number of important factors could cause Activision Blizzard’s actual future results and other future circumstances to differ materially from those expressed in any such forward looking statements. Such factors include, but are not limited to, sales levels of Activision Blizzard’s titles, the impact of the current macroeconomic environment, increasing concentration of titles shifts in consumer spending trends, Activision Blizzard’s ability to predict consumer preferences, including interest in specific genres such as first-person action and massively multiplayer online games and preferences among hardware platforms, maintenance of relationships with key personnel, customers, licensees, licensors, vendors, and third-party developers, including the ability to attract, retain and develop key personnel and developers that can create high quality "hit" titles, the seasonal and cyclical nature of the interactive entertainment market, changing business models, including digital delivery of content, competition, including from used games and other forms of entertainment, possible declines in software pricing, product returns and price protection, product delays, adoption rate and availability of new hardware (including peripherals) and related software, particularly during the upcoming console transition, rapid changes in technology and industry standards, the current regulatory environment, litigation risks and associated costs, protection of proprietary rights, counterparty risks relating to customers, licensees, licensors and manufacturers, domestic and international economic, financial and political conditions and policies, foreign exchange rates and tax rates, potential challenges associated with geographic expansion, capital market risks, the possibility that expected benefits related to the pending transactions with Vivendi and ASAC II LP may not materialize as expected, and the pending transactions not being timely completed, if completed at all. These important factors and other factors that potentially could affect the Company’s financial results are described in the Company’s most recent annual report on Form 10-K, as amended, our quarterly report on Form 10-Q for the period, and other filings with the SEC.

The forward-looking statements in this presentation are based on information available to the Company as of the date of this presentation and, while believed to be true when made, may ultimately prove to be incorrect. The Company may change its intention, belief or expectation, at any time and without notice, based upon any changes in such factors, in the Company’s assumptions or otherwise. The Company undertakes no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the original date of this presentation, August 1, 2013, or to reflect the occurrence of unanticipated events.
Activision Blizzard Q2 2013 Highlights
Performance driven by innovation and quality

• **Independence and industry leadership:**
  - Agreement announced July 25th to make Activision Blizzard an independent company upon closing of transaction with Vivendi
  - #1 Third-party interactive entertainment publisher in NA & EU combined in Q2 & 1H 2013¹

• **Strong product performance:**
  - Skylanders Giants -- the #1 title in both N. America and Europe in 1H 2013¹
  - Call of Duty: Black Ops II -- the #2 title in N. America and Europe combined in 1H 2013¹
  - Call of Duty Black Ops II outsold Call of Duty Modern Warfare 3 in both Retail and Digital channels
    - Record Call of Duty Digital Revenues increased over 100% year-over-year in Q2 and in 1H 2013
  - StarCraft II: Heart of the Swarm -- Blizzard’s 16th #1-selling PC game

• **Financial performance:**
  - $1,050M GAAP Revenues; Q2 Record 41% GAAP Operating Margin; $0.28 GAAP EPS
  - $608M Non-GAAP² Revenues; 20% Non-GAAP² Operating Margin; $0.08 Non-GAAP² EPS
    - $383M Non-GAAP² Digital revenues, a record 63% of total

¹ According to The NPD Group, GfK Chart-Track and Activision Blizzard internal estimates and including toys and accessories.
² Non-GAAP information reconciliation tables in the appendix of the earnings release, which is available on www.activisionblizzard.com
# Activision Blizzard Q2 2013 Results Summary

Performance driven by innovation and quality

<table>
<thead>
<tr>
<th></th>
<th>Q2 2012</th>
<th>Q2 2013 Outlook¹</th>
<th>Q2 2013</th>
<th>Yr./Yr.</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP Net Revenues</td>
<td>$1,075M</td>
<td>$980M</td>
<td>$1,050M</td>
<td>(2%)</td>
</tr>
<tr>
<td>GAAP EPS</td>
<td>$0.16</td>
<td>$0.21</td>
<td>$0.28</td>
<td>75%</td>
</tr>
<tr>
<td><strong>Non-GAAP² Net Revenues</strong></td>
<td>$1,054M</td>
<td>$590M</td>
<td>$608M</td>
<td>(42%)</td>
</tr>
<tr>
<td><strong>Non-GAAP² EPS</strong></td>
<td>$0.20</td>
<td>$0.05</td>
<td>$0.08</td>
<td>(60%)</td>
</tr>
<tr>
<td>Operating Cash Flow</td>
<td>$92M</td>
<td></td>
<td>$109M</td>
<td>18%</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>$17M</td>
<td></td>
<td>$19M</td>
<td>12%</td>
</tr>
<tr>
<td>Free Cash Flow³</td>
<td>$75M</td>
<td></td>
<td>$90M</td>
<td>20%</td>
</tr>
<tr>
<td><strong>As of 6/30/12</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Investments⁴</td>
<td>$3,209M</td>
<td></td>
<td>$4,555M</td>
<td>42%</td>
</tr>
<tr>
<td>Cash &amp; Investments/Share⁴</td>
<td>Approx. $2.71</td>
<td></td>
<td>Approx. $3.83</td>
<td>41%</td>
</tr>
</tbody>
</table>

¹ Q2 2013 outlook provided on 5/8/2013.
² Non-GAAP information reconciliation tables in the appendix of the earnings release dated August 1, 2013, which is available on www.activisionblizzard.com
³ Non-GAAP free cash flow represents operating cash flow minus capital expenditures.
⁴ Includes short- and long-term investments. When calculating cash and investments per diluted share, uses share count of 1.186B and 1.190B, which includes outstanding common shares, participating securities (unvested restricted stock units rights, restricted stock awards, and performance shares), and all options to acquire shares of common stock as of June 30, 2012 and June 30, 2013, respectively.
Financial Outlook, as of August 1, 2013

Pre-transaction¹

<table>
<thead>
<tr>
<th></th>
<th>Q3 2013</th>
<th>Q4 2013</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GAAP</td>
<td>Non-GAAP*</td>
<td>GAAP</td>
</tr>
<tr>
<td>Net Revenues</td>
<td>$635M</td>
<td>$585M</td>
<td>$1.3B</td>
</tr>
<tr>
<td>COGS (Prod/Online)</td>
<td>23%</td>
<td>25%</td>
<td>24%</td>
</tr>
<tr>
<td>Operating Expense, incl. Royalties</td>
<td>68%</td>
<td>66%</td>
<td>48%</td>
</tr>
<tr>
<td>Operating Margin, may not foot due to rounding</td>
<td>9%</td>
<td>9%</td>
<td>28%</td>
</tr>
<tr>
<td>Tax Rate</td>
<td>26%</td>
<td>27%</td>
<td>26%</td>
</tr>
<tr>
<td><strong>EPS</strong>, may not foot due to rounding</td>
<td><strong>$0.03</strong></td>
<td><strong>$0.03</strong></td>
<td><strong>$0.06</strong></td>
</tr>
</tbody>
</table>

¹ Without giving effect to pending transaction with Vivendi announced on July 25, 2013.

Our outlook is based on assumptions about sell-through rates for our products and the launch timing, success and pricing of our slate of new products which are subject to significant risks and uncertainties, including possible declines in the overall demand for video games and in the demand for our products, the dependence in the interactive software industry and by us on an increasingly limited number of popular franchises for a disproportionately high percentage of revenues and profits, our ability to predict shifts in consumer preferences among genres and competition. Current macroeconomic conditions increase those risks and uncertainties. Our outlook is also subject to other risks and uncertainties including litigation and associated costs, fluctuations in foreign exchange and tax rates, counterparty risks relating to customers, licensees, licensors and manufacturers. As a result of these and other factors (including those mentioned in our Safe Harbor Disclosure at the beginning of this presentation and in our most recent Annual Report on Form 10-K, as amended, our quarterly report on Form 10-Q for the quarter ended June 30, 2013 and our other SEC filings) actual results may deviate materially from the outlook presented above.

* Non-GAAP information reconciliation tables in the appendix of the earnings release dated August 1, 2013, which is available on www.activisionblizzard.com.
**Including participating securities, and dilutive option based on average share price.
Financial Outlook, as of August 1, 2013

Pre-transaction\(^1\), post-transaction as expected to be reported, and pro-forma*  

Transaction expected to be highly accretive to 2013 EPS on a pro-forma* basis

### Pre-transaction\(^1\)

<table>
<thead>
<tr>
<th></th>
<th>Q1A</th>
<th>Q2A</th>
<th>Q3E</th>
<th>Q4E</th>
<th>2013E</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP EPS</strong></td>
<td>$0.40</td>
<td>$0.28</td>
<td>$0.03</td>
<td>$0.06</td>
<td>$0.77</td>
</tr>
<tr>
<td><strong>Non-GAAP EPS</strong></td>
<td>$0.17</td>
<td>$0.08</td>
<td>$0.03</td>
<td>$0.54</td>
<td>$0.82</td>
</tr>
<tr>
<td><strong>Fully Diluted Weighted Average Shares</strong>*</td>
<td>1.15B</td>
<td>1.15B</td>
<td>1.17B</td>
<td>1.17B</td>
<td>1.16B</td>
</tr>
</tbody>
</table>

### Post-transaction, as expected to be reported

<table>
<thead>
<tr>
<th></th>
<th>Q1A</th>
<th>Q2A</th>
<th>Q3E</th>
<th>Q4E</th>
<th>2013E</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP EPS</strong></td>
<td></td>
<td></td>
<td>--As above--</td>
<td>$0.01 – $0.04</td>
<td>$0.80 – $0.82</td>
</tr>
<tr>
<td><strong>Non-GAAP EPS</strong></td>
<td></td>
<td></td>
<td></td>
<td>$0.76 – $0.79</td>
<td>$0.85 – $0.87</td>
</tr>
<tr>
<td><strong>Fully Diluted Weighted Average Shares</strong>*</td>
<td></td>
<td></td>
<td></td>
<td>743M</td>
<td>1.05B</td>
</tr>
</tbody>
</table>

### Pro-forma for 2013, full year*

<table>
<thead>
<tr>
<th></th>
<th>2013E</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP EPS</strong></td>
<td>$0.91 – $0.99</td>
</tr>
<tr>
<td><strong>Non-GAAP EPS</strong></td>
<td>$1.01 – $1.09</td>
</tr>
<tr>
<td><strong>Fully Diluted Weighted Average Shares</strong>*</td>
<td>725M</td>
</tr>
</tbody>
</table>

---

\(^1\) Without giving effect to proposed transactions with Vivendi.

* Pro-forma assumes the transactions and their related financial impact commenced January 1, 2013.

** Non-GAAP information reconciliation tables are in the appendix of the release dated August 1, 2013, which is available on www.activisionblizzard.com.

*** Including participating securities, and dilutive option based on average share price.
Skylanders SWAP Force
Planned to launch in October 2013

Skylanders franchise:
• #1 franchise in NA and Europe YTD
• Retail sales over $1.5B as of July 31, 2013
• Named 2013’s Overall Best Licensed Program of The Year by LIMA

SWAP Force, our 2013 game:
• All figures sold to date are playable in SWAP Force
• 16 new SWAP Skylanders figures with 256 possible SWAPABILITIES
• To launch this fall, building on the momentum of Giants, with over 150 licensed partners

1 Including toys and accessories. Source: NPD, GfK Chart-Track and Activision Blizzard internal estimates.
2 Licensing Industry Merchandiser’s Association
Call of Duty Online
Record Q2 and 1H engagement and digital revenues\(^1\)

- Black Ops II
- Modern Warfare 3
- Black Ops
- Modern Warfare 2
- World at War
- Modern Warfare

\(^1\)Activision Blizzard internal estimates.
Activision Publishing Highlights & Pipeline

#1 Third Party Videogame Publisher in N. America & Europe Combined in Q2 & 1H¹

Outsold Modern Warfare 3 at Retail in Q2 and 1H; Record digital performance.²

Planned to launch on PS3 & Xbox 360 on 11/5/13 & on PS4 and Xbox One this year.

Developing a microtransaction-based game in partnership with Tencent for the large and fast-growing Chinese online game audience.

16 SWAP Skylanders figures with dynamically swappable attack and movement SWAPABILITIES. All toys sold to date are playable in SWAP Force.

To launch in 2014. Bungie’s new shared-world action game showed well at E3. On track to surpass record pre-orders for a new IP.

¹Including toys and accessories. Source: NPD, GfK Chart-Track and Activision Blizzard internal estimates.
²Activision Blizzard internal estimates.
Blizzard Entertainment Highlights

- Approximately 7.7M subscribers as of 6/30/13

- Planned to launch on PS3 and Xbox 360 on September 3, 2013
  Over 12M copies for PC already sold*

- Blizzard’s 16th #1-selling PC game

- New free-to-play, collectible card game for Windows, Mac, and iPad
  Launch planned in second half of the year

- New free-to-play action-RTS game in development

*According to The NPD Group, GfK Chart-Track and Activision Blizzard internal estimates.
Use of Non-GAAP Measures

As a supplement to our financial measures presented in accordance with GAAP, Activision Blizzard presents certain non-GAAP measures of financial performance. These non-GAAP financial measures are not intended to be considered in isolation from, as a substitute for, or as more important than, the financial information prepared and presented in accordance with GAAP. In addition, these non-GAAP measures have limitations in that they do not reflect all of the items associated with the company’s results of operations as determined in accordance with GAAP.

Activision Blizzard provides net revenues, net income (loss), earnings (loss) per share and operating margin data and guidance both including (in accordance with GAAP) and excluding (non-GAAP) certain items. The non-GAAP financial measures exclude the following items, as applicable in any given reporting period:

- the change in deferred net revenue and related cost of sales with respect to certain of the company’s online-enabled games;
- expenses related to stock-based compensation;
- one-time fees and expenses related to repurchase of the Company’s shares from Vivendi and related debt financing transactions;
- the amortization of intangibles from purchase price accounting; and
- the income tax adjustments associated with any of the above items.

In the future, Activision Blizzard may also consider whether other significant non-recurring items should also be excluded in calculating the non-GAAP financial measures used by the company. Management believes that the presentation of these non-GAAP financial measures provides investors with additional useful information to measure Activision Blizzard’s financial and operating performance. In particular, the measures facilitate comparison of operating performance between periods and help investors to better understand the operating results of Activision Blizzard by excluding certain items that may not be indicative of the company’s core business, operating results or future outlook. Internally, management uses these non-GAAP financial measures in assessing the company’s operating results, as well as in planning and forecasting.

Activision Blizzard’s non-GAAP financial measures are not based on a comprehensive set of accounting rules or principles, and the terms non-GAAP net revenues, non-GAAP net income, non-GAAP earnings per share, and non-GAAP operating margin do not have a standardized meaning. Therefore, other companies may use the same or similarly named measures, but exclude different items, which may not provide investors a comparable view of Activision Blizzard’s performance in relation to other companies.

Management compensates for the limitations resulting from the exclusion of these items by considering the impact of the items separately and by considering Activision Blizzard’s GAAP, as well as non-GAAP, results and outlook, and by presenting the most comparable GAAP measures directly ahead of non-GAAP measures, and by providing a reconciliation that indicates and describes the adjustments made.

In addition to the reasons stated above, which are generally applicable to each of the items Activision Blizzard excludes from its non-GAAP financial measures, there are additional specific reasons why the company believes it is appropriate to exclude the change in deferred net revenue and related cost of sales with respect to certain of the company's online-enabled games.

Since Activision Blizzard has determined that some of our games’ online functionality represents an essential component of gameplay and, as a result, a more-than-inconsequential separate deliverable, we recognize revenue attributed to these game titles over their estimated service periods, which may range from five months to a maximum of less than a year. The related cost of sales is deferred and recognized as the related revenues are recognized. Internally, management excludes the impact of this change in deferred net revenue and related cost of sales in its non-GAAP financial measures when evaluating the company’s operating performance, when planning, forecasting and analyzing future periods, and when assessing the performance of its management team.

Management believes this is appropriate because doing so enables an analysis of performance based on the timing of actual transactions with our customers, which is consistent with the way the company is measured by investment analysts and industry data sources. In addition, excluding the change in deferred net revenue and the related cost of sales provides a much more timely indication of trends in our operating results.

For such reconciliation of GAAP to non-GAAP numbers and a description of what is excluded from each non-GAAP financial measure, and for more detailed information concerning the Company’s financial results for the three months ended June 30, 2013, please refer to the Company’s earnings release dated August 1, 2013, which is available on our website, www.activisionblizzard.com.
Second Quarter 2013 Results: Q&A
August 1, 2013