



## **FISCAL 2001 FIRST QUARTER FINANCIAL RESULTS**

### **ACTIVISION'S FIRST QUARTER FISCAL YEAR 2001 RESULTS BETTER THAN ANALYST EXPECTATIONS**

#### **Company Completes Buyback Program Company Appoints William Chardavoyne as CFO**

Santa Monica, CA - August 2, 2000 - Activision, Inc. (Nasdaq: ATVI) today announced financial results for the first fiscal quarter ended June 30, 2000.

Net revenues were \$84.5 million, compared to net revenues of \$84.1 million reported for the first quarter last fiscal year. Net loss for the first fiscal quarter was \$5.2 million, or \$0.21 per share, compared with a net loss of \$4.6 million, or \$0.19 per share, reported for the same period last year.

Also during the quarter, Activision completed the previously announced \$15 million buyback program that was approved by its Board of Directors in May.

Robert A. Kotick, Chairman and CEO, stated, "Our performance was better than expected and our competitive position is stronger than ever. For the first quarter, our results exceeded First Call consensus earnings estimates and our net revenues increased over the prior year. According to NPD TRSTS, Activision ranked as the #2 third-party U.S. publisher for the quarter and the only console publisher to show triple digit year-over-year growth on a monthly basis in dollars for the last eight consecutive months. U.S. retail sell through of our console and PC games increased 125% over last year's first quarter, versus the market's overall increase of 23%. For the quarter, Activision achieved an overall market share of 6.9% of dollar sales, almost double our 3.8% share for the same period last year, as reported by NPD TRSTS and PC Data."

"Our continued success was the result of strong consumer demand for our products. Tony Hawk's Pro Skater has sold approximately three million units worldwide and remains a top 10 title for the PlayStation, Nintendo 64, Dreamcast and Game Boy Color. Additionally, during the quarter we released seven new games including Vampire: The Masquerade Redemption and Dark Reign 2 for the PC, Covert Ops: Nuclear Dawn for the PlayStation and Virtual On: Oratorio Tangram for the Dreamcast."

Kotick continued, "Looking ahead, we believe our market momentum will continue with the release of such games as X-MEN Mutant Academy, Spider-Man, Tenchu: Birth of the Assassins, Star Trek(: Voyager Elite Force, Star Trek( Invasion and Tony Hawk's Pro Skater 2. Our product slate for the second quarter is our strongest ever."

"We look forward to the impending launch of PlayStation 2 in October and currently have 12 titles in various stages of development, including four extreme sports games -- Tony Hawk's Pro Skater 3, Mat Hoffman's Pro BMX 2, Kelly Slater's Pro Surfer and Shawn Palmer's Pro Boarder Cross. We expect that the release of our first PlayStation 2 game, Orphen, will coincide with or shortly follow the platform's launch. We believe that Orphen will be a leading game for the PlayStation 2."

Kotick concluded, "We plan to expand our presence on the handheld platforms and expect to have at least three titles to coincide with the release of Nintendo's Game Boy Advance next spring. We also are preparing to aggressively support Microsoft's X-Box and Nintendo's Dolphin, both of which are slated to launch next year."

Separately, Activision announced the appointment of William J. Chardavoyne as Executive Vice President and Chief Financial Officer. Mr. Chardavoyne has been serving as the company's interim CFO since January and joins Activision with more than 26 years of global financial and general management experience across several industries. Mr. Chardavoyne will oversee all financial and treasury functions and will report to Ron Doornink, President and Chief Operating Officer. Prior to joining Activision, Mr. Chardavoyne held numerous executive finance management positions with such companies as MTV Networks and Sony Pictures Entertainment/Columbia TriStar, as well as 10 years of public accounting experience with Ernst & Young.

Headquartered in Santa Monica, California, Activision, Inc. is a leading worldwide developer, publisher and distributor of interactive entertainment and leisure products. Founded in 1979, Activision posted net revenues of \$572 million for the fiscal year ended March 31, 2000.

Activision maintains operations in the US, Canada, the United Kingdom, France, Germany, Japan, Australia and the Netherlands. More information about Activision and its products can be found on the company's World Wide Web site, which is located at <http://www.activision.com>.

Note: Any reference to the development of products, growth rates, investment or other performance or the continued success of the company's current product offerings constitutes forward-looking information and actual future results may vary materially. There can be no assurance of the rate of growth of the industry or of the company, that the company's products will enjoy continued success or that any products in development will ever be commercially released or that, if released, such products will contribute revenues to the company sufficient to recoup or exceed their development cost. For a discussion of these and other factors that could affect Activision's business and financial results, see information contained in the company's most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q on file at the Securities and Exchange Commission.

[Download the Q1 2001 Financial Tables \(PDF\)](#)

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