Blizzard Entertainment Announces Staff Reductions

IRVINE, Calif.--(BUSINESS WIRE)-- Blizzard Entertainment, Inc. today announced that it has conducted a review of its business based on current organizational needs. Following a completion of the review, the company is conducting a global reduction in workforce of approximately 600 employees. The company anticipates approximately 90% of the affected employees will come from departments not related to game development. The *World of Warcraft*® development team will not be impacted.

"Constant evaluation of teams and processes is necessary for the long-term health of any business. Over the last several years, we've grown our organization tremendously and made large investments in our infrastructure in order to better serve our global community. However, as Blizzard and the industry have evolved we've also had to make some difficult decisions in order to address the changing needs of our company," said Mike Morhaime, CEO and cofounder of Blizzard Entertainment. "Knowing that, it still does not make letting go of some of our team members any easier. We're grateful to have had the opportunity to work with the people impacted by today's announcement, we're proud of the contributions they made here at Blizzard, and we wish them well as they move forward."

Blizzard's current development and publishing schedules will not be impacted. The company will announce specific release plans for *Diablo*® *III* in the near future, and it's continuing to drive aggressively toward beta testing for *World of Warcraft: Mists of Pandaria*™*, Blizzard DOTA,* and *StarCraft*® *II: Heart of the Swarm*™*.* Blizzard also remains committed to maintaining its high standards of quality for customer service delivery. In addition, Blizzard is still recruiting and looking to hire qualified developers for a number of open positions. Further details are available at http://jobs.blizzard.com.

For press inquiries, please contact Lisa Jensen in Blizzard Entertainment public relations at ljensen@blizzard.com.

The accounting charges associated with Blizzard's reduction in workforce are not anticipated to be material to Activision Blizzard, Inc. and were included in the 2012 financial outlook that was provided on February 9, 2012.

About Blizzard Entertainment, Inc.

Best known for blockbuster hits including *World of Warcraft*® and the *Warcraft*®, *StarCraft*®, and *Diablo*® series, Blizzard Entertainment, Inc. (www.blizzard.com), a division of Activision Blizzard (NASDAQ: ATVI), is a premier developer and publisher of entertainment software renowned for creating some of the industry's most critically acclaimed games. Blizzard Entertainment's track record includes thirteen #1-selling games and multiple Game of the Year awards. The company's online-gaming service, Battle.net®, is one of the largest in the world, with millions of active users.

Cautionary Note Regarding Forward-looking Statements: Information in this press release that involves Blizzard Entertainment's expectations, plans, intentions or strategies regarding the future are forward-looking statements that are not facts and involve a number of risks and uncertainties. Blizzard Entertainment generally uses words such as "outlook," "will," "could," "would," "might," "remains," "to be," "plans," "believes," "may," "expects," "intends," "anticipates," "estimate," "future," "plan," "positioned," "potential," "project," "remain," "scheduled," "set to," "subject to," "upcoming" and similar expressions to identify forward-looking statements. Factors that could cause Blizzard Entertainment's actual future results to differ materially from those expressed in the forward-looking statements set forth in this release include, but are not limited to, sales levels of Blizzard Entertainment's titles, increasing concentration of titles, shifts in consumer spending trends, the impact of the current macroeconomic environment and market conditions within the video game industry, the seasonal and cyclical nature of the interactive game market, declines in software pricing, product returns and price protection, product delays, retail acceptance of Blizzard Entertainment's products, industry competition including from used games and other forms of entertainment, litigation risks and associated costs, rapid changes in technology, industry standards, business models including online and used games, and consumer preferences, including interest in specific genres such as real time strategy, role playing and massively multiplayer online games, protection of proprietary rights, 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 who can create high quality "hit" titles, 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, and the other factors identified in the risk factors sections of the most recent annual report on Form 10-K and any subsequent quarterly reports on Form 10-Q filed by Activision Blizzard, Inc., Blizzard Entertainment's parent company. The forward-looking statements in this release are based upon information available to Blizzard Entertainment and Activision Blizzard as of the date of this release, and neither Blizzard Entertainment nor Activision Blizzard assumes any obligation to update any such forward-looking statements. Forward-looking statements believed to be true when made may ultimately prove to be incorrect. These statements are not guarantees of the future

performance of Blizzard Entertainment or Activision Blizzard and are subject to risks, uncertainties and other factors, some of which are beyond its control and may cause actual results to differ materially from current expectations.

Blizzard Entertainment
Lisa Jensen, Public Relations
949-854-6200
ljensen@blizzard.com.

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