



Patent Claims Against Activision Blizzard's Use of Lip Synchronization and Facial Expression Technology in Call of Duty®, Skylanders® and StarCraft® II Are Dismissed

Dismissal Follows The Supreme Court's Recent Ruling Confirming that Abstract Ideas are Not Patentable

SANTA MONICA, Calif.--(BUSINESS WIRE)-- Activision Blizzard, Inc. (Nasdaq: ATVI) today announced that the United States District Court, Central District of California has invalidated all patent claims asserted against the Company by McRO, Inc. d.b.a. Planet Blue.

The Court concluded that two patents for automatically animating lip synchronization and facial expressions of 3D characters were invalid, and as a result, the case against Activision Blizzard has been dismissed.

"Meritless patent cases such as this stifle innovation and the creative process across the industry," said Chris Walther, Chief Legal Officer of Activision Blizzard. "We will aggressively defend our investments in the innovative franchises at Activision Publishing and Blizzard Entertainment, as we did in this case with **Call of Duty®**, **Skylanders®** and **StarCraft® II**, from entities whose sole purpose is to use patent litigation to hold innovative companies captive for monetary gain."

As part of its jointly filed motion on behalf of the Defendants, Activision Blizzard argued that the two patents in question -- 6,307,576 and 6,611,278 - were invalid because they claimed well-known and long-practiced lip-synching methods implemented on a computer. On September 24, 2014, the District Court agreed, finding that the patents lacked any inventive concept, and therefore the claims would inhibit rather than promote the progress of the useful arts.

The Court's decision to invalidate the patents follows precedent set by The Supreme Court's recent ruling in *Alice Corp.*, confirming that abstract ideas are not patentable.

About Activision Blizzard

Activision Blizzard, Inc. is the largest and most profitable independent western interactive entertainment publishing company. It develops and publishes some of the most successful and beloved entertainment franchises in any medium, including Call of Duty, Skylanders, World of Warcraft, StarCraft® and Diablo.

Headquartered in Santa Monica California, Activision Blizzard maintains operations throughout the United States, Europe, and Asia. It develops and publishes games on all leading interactive platforms and its games are available in most countries around the world. More information about Activision Blizzard and its products can be found on the company's website, www.activisionblizzard.com.

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