Transaction Conference Call

July 26, 2013

Safe Harbor Disclosure

Please review our SEC filings on Form 10-K, Form 10-Q and Form 8-K

Cautionary Note Regarding Forward-Looking Statements. This presentation and its exhibits contain, or incorporate by reference, certain forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements consist of any statement other than a recitation of historical fact and include, but are not limited to: (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; (4) statements of assumptions underlying such statements; and (5) statements about the completion, timing, financing and impact of the transactions described herein. Activision Blizzard, Inc. ("Activision Blizzard") generally uses words such as "outlook," "forecast," "will," "could," "should," "would," "to be," "plans," "believes," "may," "expects," "intends," "anticipates," "estimate," "future," "positioned," "potential," "project," "remain," "scheduled," "set to," "subject to," "upcoming" and other similar expressions to help identify forward looking statements. Forward looking statements are subject to business and economic risk, reflect management's current expectations, estimates and projections about our business, and are inherently uncertain and difficult to predict. Our actual results could differ materially. Risks and uncertainties that may affect our future results include, but are not limited to, sales levels of Activision Blizzard's titles, increasing concentration of titles, shifts in consumer spending trends, the impact of the current macroeconomic environment, 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 competing hardware platforms, the seasonal and cyclical nature of the interactive game 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 expected console transition, rapid changes in technology and industry standards, litigation risks and associated costs, 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 that 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, the identification of suitable future acquisition opportunities and potential challenges associated with geographic expansion, the possibility that expected benefits related to the transactions may not materialize as expected, the transactions not being timely completed, if completed at all, and the other factors identified in "Risk Factors" included in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2012, as amended. The forward-looking statements contained herein are based upon information available to us as of the date of this presentation and we assume no obligation to update any such forward-looking statements. Although these forward-looking statements are believed to be true when made, they may ultimately prove to be incorrect. These statements are not guarantees of our future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control and may cause actual results to differ materially from current expectations.

Announcing a Highly Accretive Transaction

Expected to emerge a stronger, more focused independent company

Activision Blizzard to buy back 429M shares from Vivendi for $5.83B

Investor group to acquire 172M shares from Vivendi for $2.34B

- Group to be led by Bobby Kotick and Brian Kelly who will personally invest a total of $100M

Vivendi to retain 83M shares, representing an approximately 12% stake

Post-transaction majority of shares outstanding will be held by public

Meaningful EPS accretion and new capital structure

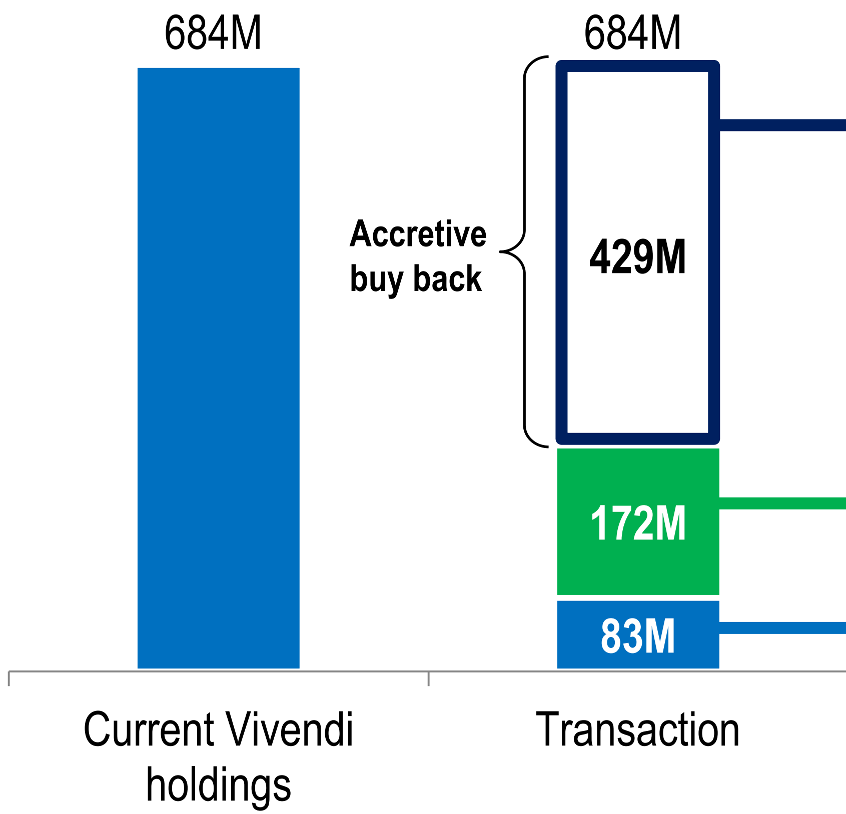
- 18-29% GAAP EPS accretion in 2013 on a pro-forma* basis
- 23-33% non-GAAP EPS accretion in 2013 on a pro-forma* basis
- Lower weighted average cost of capital
- Increase 2013 ROE** by over 1000 basis points to over 20% on a pro-forma* basis

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

** Return on equity is calculated as our trailing twelve months non-GAAP net income divided by the shareholders' equity at June 30, 2013, and for pro-forma purposes, removes shares repurchased in the transaction from shareholders' equity.

Transaction Details

Transaction at $13.60 per share, 10% discount to ATVI price as of July 25, 2013



Activision Blizzard plans to purchase 429M shares from Vivendi for $5.8B and to fund the repurchase with $1.2B cash on hand and $4.6B in debt.*

An investor group, led by Activision Blizzard CEO Bobby Kotick and Co-Chairman Brian Kelly, plans to purchase 172M shares, representing a 24.9% stake for $2.3B from Vivendi. Other group members include **Davis Advisors**, **Leonard Green & Partners L.P.**, **Tencent** and one of the largest **global institutional investors.**

Vivendi will be left with 83 million shares, representing an approximately 12% stake.

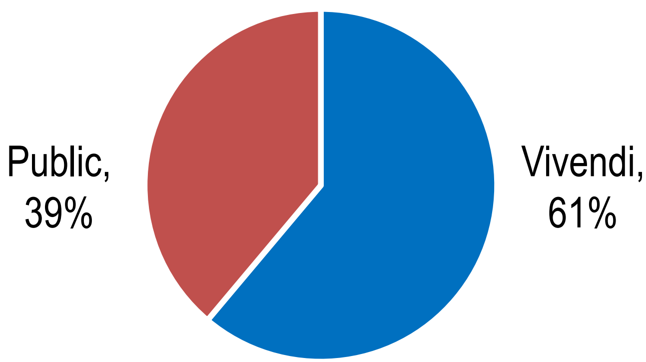
* Net of transaction and underwriting fees, upfront interest, and other related expenses.

Impact of Transaction on Ownership Structure

Accretive transaction forms more focused, independent company

Pre-transaction

Shares Outstanding at June 30, 2013: ~1,119M

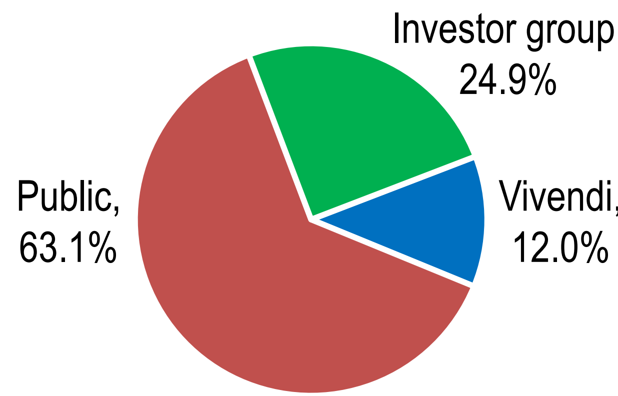


Activision Blizzard
$4.55B Cash*, as of June 30
<u>No Debt, as of June 30</u>
$4.55B Net Cash, as of June 30

Majority Shareholder: Vivendi

Post-transaction**

Shares Outstanding: ~690M



Activision Blizzard
$3.32B Cash*
<u>$4.75B Debt</u>
$1.43B Net Debt

Public to hold majority of shares

* As of June 30, $2.8B of the Company's cash and investments is permanently invested outside the US.

** Numbers post-transaction are illustrative only. These numbers represent balances at June 30, 2013 minus the expected financial impacts from the transaction.

Financial Stability Post-Transaction*

Strong cash flows support debt/interest and allow for continued investment in growth

Pre- and post-transaction cash and debt

Total cash* and investments, as of June 30th	$4.55B
Net debt, as of June 30th	---
Cash from financing^	$4.60B
Total	$9.15B
Due to Vivendi	($5.83B)
Cash* on hand, post-transaction**	**$3.32B**
Debt, post-transaction**	($4.75B)
Net debt, post-transaction**	($1.43B)

^Net of estimated transaction and underwriting fees, upfront interest, and other related expenses.

*As of June 30, $2.8B of the Company's cash and investments is permanently invested outside the US.

**Numbers post-transaction are illustrative only. These numbers represent balances at June 30, 2013 minus the expected financial impacts from the transaction.

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Preliminary Q2 2013 Results

Better-than-expected results

	Q2 2012	Original Q2 2013 Outlook[1]	Preliminary Q2 2013	Yr./Yr.
GAAP Net Revenues	$1,075M	$980M	$1,050M	(2%)
GAAP EPS	$0.16	$0.21	$0.28	75%
Non-GAAP[2] Net Revenues	$1,054M	$590M	$608M	(42%)
Non-GAAP[2] EPS	$0.20	$0.05	$0.08	(60%)
Cash & Investments[3]	$3,209M		$4,555M	42%
Cash & Investments/Share[3]	Approx. $2.71		Approx. $3.83	41%

[1] Original Q2 2013 outlook provided on 5/8/2013
[2] Non-GAAP information reconciliation tables in the appendix of the release dated July 25, which is available on www.activisionblizzard.com
[3] As of June 30, 2013. Includes short- and long-term investments. When calculating cash and investments per diluted share, uses share count of 1.19B and 1.189B, 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.

2013 Outlook as of July 26, 2013

Raising 2013 GAAP outlook, confirming non-GAAP outlook

Transaction expected to be accretive to 2013 EPS on a pro-forma* basis, from 18% to 29% on a GAAP basis and 23% to 33% on a non-GAAP basis

	Pre-transaction, as of May 8, 2013	Pre-transaction, as of July 26, 2013	Post-transaction, pro-forma*
GAAP Net Revenues	$4,220M	$4,310M	$4,310M
GAAP EPS	**$0.73**	**$0.77**	**$0.91 to $0.99**
GAAP Shares Outstanding***	1.15B	1.15B	725M
Accretion			18% to 29%
Non-GAAP** Net Revenues	$4,250M	$4,250M	$4,250M
Non-GAAP EPS**	**$0.82**	**$0.82**	**$1.01 – $1.09**
Non-GAAP** Shares Outstanding***	1.15B	1.15B	725M
Accretion			23% to 33%

* 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 July 25, 2013, which is available on www.activisionblizzard.com.

***Including participating securities, and dilutive option based on our second quarter average share price, and on a weighted average basis.

Key Benefits

Expected to emerge a stronger, more focused independent company

Significant EPS accretion for shareholders and new capital structure

- Lower weighted average cost of capital
- Return on equity* (ROE) expected to increase over 1000 basis points post-transaction**

Post-transaction $3.32B cash* on hand**

Strong cash flows can support:

- Debt/Interest
- Growth investments

Well-positioned to deliver great games and superior shareholder returns

* Return on equity is calculated as our trailing twelve months non-GAAP net income divided by the shareholders' equity at June 30, 2013, and for pro forma purposes, removes shares repurchased in the transaction from shareholders' equity. **Numbers post-transaction are illustrative only. These numbers represent balances at June 30, 2013 minus the expected financial impacts from the transaction. *** As of June 30, $2.8B of the Company's cash and investments is permanently invested outside the US.

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;
- fees and expenses related to the 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, and the Company's full year 2013 pro-forma information, please refer to the Company's press release dated July 25, 2013, which is available on our website, www.activisionblizzard.com.

Q&A

July 26, 2013