

ATVI Summary as of February 11, 2016



Unless otherwise explicitly stated, all data and comments, including forward-looking information, are current as of February 11, 2016 only. Activision Blizzard undertakes no duty to update or revise any forward-looking information contained herein. This is a summary document only. For more detailed information, please refer to Activision Blizzard's earnings release dated February 11, 2016 and the Company's reports and filings with the SEC.

Stock Information ¹ :				Full Year EPS:				
Price per share as of 2/10/16 (\$)	30.15	2015 GAAP EPS (\$)	1.19	2011	2012	2013	2014	2015
2015 Dividend/share (\$)	0.23	2015 Non-GAAP ¹ EPS (\$)	1.32	GAAP EPS	\$0.92	\$1.01	\$0.95	\$1.13
Daily volume on 2/10/16 (M)	14.1	2015 FCF/diluted share ² (\$)	1.44	Non-GAAP ¹ EPS	\$0.93	\$1.18	\$0.94	\$1.42
50-day avg. vol., ending 2/10/16 (M)	11.1	Cash and investments ⁴ /diluted share ² (\$)	7.20	IR Contacts:				
Shs. Outstanding ² (M)	750	Book Value/diluted share ² (\$)	10.76	Amrita Ahuja, SVP IR		Jason Shi, IR Analyst		
Market Cap. as of 2/10/16 (\$B)	22.0	Total cash and investments ⁴ (\$B)	5.40	Amrita.Ahuja@ActivisionBlizzard.com		Jason.Shi@ActivisionBlizzard.com		
Enterprise Value as of 2/10/16 ³ (\$B)	20.7	Total debt as of 12/31/15 (\$B)	4.12	(310) 255-2075		(424) 744-5687		

¹NASDAQ OMX. ²Based on fully diluted shares and participating securities for the quarter ending December 31, 2015. ³Using 12/31 cash and investments of \$5.4B (including \$3.6B of cash in escrow) and debt of \$4.1B. ⁴Includes short-term and long-term investments.

A Successful Year in 2015 — Key Drivers:

- Broadened audience reach with successful game launches, and expanded onto new platforms and geographies**
 - Reaching an all-time high of over 80M users in Q4
 - Full year 2015 MAUs* grew 25% Y/Y
 - Launched 3 new games in China in 2015, growing revenues 87% Y/Y, faster than ever before
- Drove deeper engagement through outstanding gameplay and regular content updates**
 - 3.5B hours spent playing our titles in Q4
 - Full year 2015 time spent was up 16% Y/Y to a record of >14B hours
- Successfully shifted to a year-round player investment model while still growing engagement**
 - Revenues from in-game content and services was >\$1.6B, growing 57% at constant FX**

Expecting Continued Growth From Strategic Initiatives in 2016 and Beyond:

- Backdrop of growing install base of gaming devices, growth on digital distribution, and another slate of exceptional content
- In addition to the organic progress we made in 2015, we also set-up opportunities for growth ahead through new corporate initiatives focused on the fastest growing parts of our industry, namely esports with MLG and mobile with King†††

* MAUs defined as number of individuals who played a particular game in a given month averaged across the number of months in a respective period. Refer to definition included in press release for additional details.
 ** Constant FX provides current period results converted into USD using the average exchange rates from the comparative prior periods rather than the actual exchange rates in effect during the respective current periods.

Focus on Enduring Franchises and Engaged Communities

Deeply Engaging Interactive Entertainment Franchises
Long-Term Opportunities

Plans to launch 3 new franchise games in 2016

Esports and Adjacent Entertainment Verticals That Build upon Our Audience's Entertainment Preferences

New Innovation and Regular Content Updates to Drive Engagement and Support Player Investment

[†] For a full reconciliation of GAAP to non-GAAP numbers and for more detailed information concerning the Company's financial results for the quarter ended December 31, 2015, please refer to the tables attached to Company's earnings release dated February 11, 2016, which is available on our website, www.activisionblizzard.com. ^{††} 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, all of 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. Our outlook is also subject to other risks and uncertainties including information provided to the Company by King Digital Entertainment, litigation and associated costs, fluctuations in foreign exchange and tax rates, counterparty risks relating to customers, financing providers, licensees, licensors and manufacturers. As a result of these and other factors (including those mentioned in our most recent Annual Report on Form 10-K and our other filings with the SEC) actual results may deviate materially from the outlook presented above. ^{†††} Our acquisition of King, which is expected to be completed later this month, remains subject to the satisfaction or (if capable of waiver) waiver of certain conditions.

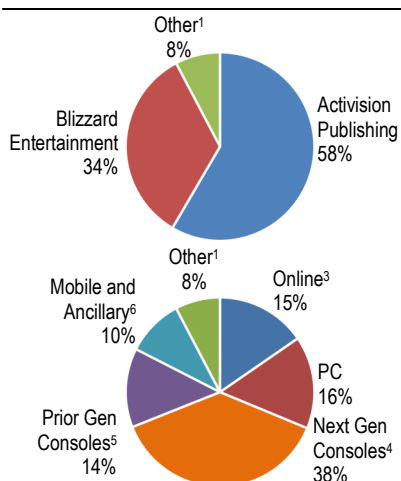
Segment Performance

	Non-GAAP† Q4			Non-GAAP† 2015		
	2014	2015	%	2014	2015	%
Revenues (\$M)						
Activision	1,492	1,492	0	2,686	2,700	1
Blizzard	531	459	-14	1,720	1,565	-9
Other ¹	190	167	-12	407	356	-13
Total	2,213	2,118	-4	4,813	4,621	-4
Operating Income (\$M)						
Activision	696	626	-10	762	868	14
Blizzard	208	177	-15	756	561	-26
Other ¹	10	35	250	9	37	311
Total	914	838	-8	1,527	1,466	-4
Operating Margin						
Activision	46.6%	42.0%		28.4%	32.1%	
Blizzard	39.2%	38.6%		44.0%	35.8%	
Other ¹	5.3%	21.0%		2.2%	10.4%	
Total	41.3%	39.6%		31.7%	31.7%	

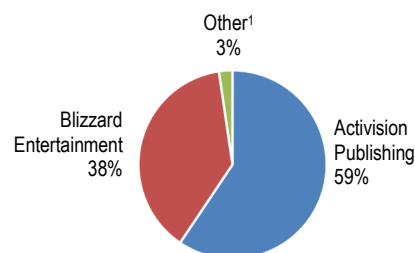
Revenue Breakdowns

	Non-GAAP† Q4			Non-GAAP† 2015		
	2014	2015	%	2014	2015	%
Distribution Channels (\$M)						
Retail	1,338	1,171	-12	2,208	1,637	-26
Digital online channels ²	685	780	14	2,198	2,628	20
Other ¹	190	167	-12	407	356	-13
Total	2,213	2,118	-4	4,813	4,621	-4
Platforms (\$M)						
Online ³	398	191	-52	1,035	713	-31
PC	127	251	98	592	730	23
Next Gen Consoles ⁴	630	1,113	77	1,197	1,744	46
Prior Gen Consoles ⁵	599	247	-59	1,135	625	-45
Mobile and Ancillary ⁶	269	149	-45	447	453	1
Other ¹	190	167	-12	407	356	-13
Total	2,213	2,118	-4	4,813	4,621	-4
Geography (\$M)						
North America	1,148	1,106	-4	2,396	2,354	-2
Europe	907	799	-12	1,977	1,721	-13
Asia Pacific	158	213	35	440	546	24
Total	2,213	2,118	-4	4,813	4,621	-4

2015 Non-GAAP† Revenues



2015 Non-GAAP† Operating Income



¹ Other includes revenues from distribution, studio, and media network businesses. ² Digital includes revenues from subscriptions, memberships and licensing royalties, value added services, downloadable content, digitally distributed products, and wireless devices. ³ All World of Warcraft ⁴ Wii-U, PS4, Xbox One. ⁵ Wii, PS3, Xbox 360 ⁶ Mobile and Ancillary includes toys, mobile, and other accessories and handheld.

Q4 Results

	Q4		
	2014	2015	2015
GAAP Net Revenues, \$M	1,575	1,218	1,353
GAAP EPS, \$	0.49	0.09	0.21
Non-GAAP† Net Revenues, \$M	2,213	2,148	2,118
Non-GAAP† EPS, \$	0.94	0.82	0.83

Outlook*, as of February 11, 2016††

	Q1		2016	
	GAAP	Non-GAAP**	GAAP	Non-GAAP**
Revenues	\$1,260M	\$800M	\$6,100M	\$6,250M
COGS (Prod/Online)	21%	23%	23%	23%
Op Ex, including Royalties	58%	57%	65%	44%
Operating Margin****	21%	20%	12%	32%
Interest Expense	\$56M	\$55M	\$245M	\$235M
Tax Rate	25%	25%	25%	25%
EPS***	\$0.21	\$0.11	\$0.45	\$1.75
Fully diluted weighted avg shares****	756M	756M	767M	767M

Note: Outlook assumes \$1.11 USD/Euro and \$1.45 USD/GBP. Revenue and EPS increase if Euro or GBP strengthen vs. USD. * Outlook includes King Digital Entertainment based on assumed transaction close in late February 2016. ** Non-GAAP information reconciliation tables in the appendix of the earnings release dated February 11, 2016, which is available on www.activisionblizzard.com. *** May not recalculate due to rounding. **** Including fully diluted shares and participating securities based on average share price.

¹Q4 2015 prior outlook as of November 2, 2015

Capital Allocation, as of February 11, 2016

Increasing annual dividend to a record \$0.26 per share, up 13% Y/Y
Authorized a repayment of up to \$1.5B of our term loan during 2016

Cash Flows, Repurchases and Dividends

	2011	2012	2013	2014	2015
Operating Cash Flow, \$M	952	1,345	1,264	1,292	1,192
Capital Expenditures, \$M	72	73	74	107	156
Free Cash Flow*†, \$M	880	1,272	1,190	1,185	1,036
Repurchases, \$M	692	315	5,830	-	-
Dividends/Share, \$	0.165	0.18	0.19	\$0.20	\$0.23

*Free Cash Flow represents Operating Cash Flow minus Capital Expenditures (which includes payment for acquisition of intangible assets)

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