



Activision Announces Receipt of Additional Notice from Nasdaq

SANTA MONICA, Calif., Feb 16, 2007 (BUSINESS WIRE) -- Activision, Inc. (Nasdaq:ATVI), today announced that, as expected, on February 14, 2007 the company received a Nasdaq Staff Determination Letter indicating that Activision's failure to timely file its Form 10-Q for the quarter ended December 31, 2006, in violation of Nasdaq Marketplace Rule 4310(c)(14), serves as an additional basis for delisting the company's common stock from Nasdaq.

As previously reported, Activision received a similar Nasdaq Staff Determination Letter on November 14, 2006 as a result of its failure to timely file its Form 10-Q for the quarter ended September 30, 2006, which served as the staff's initial basis for determining that the company's securities were subject to delisting from Nasdaq. The company requested a hearing before the Nasdaq Listing Qualifications Panel to review that determination, which was held on January 18, 2007.

On February 8, 2007, Activision was notified that its request for continued listing of its common stock on Nasdaq was granted by that panel, subject to, among other things, the company providing additional information to Nasdaq regarding the ongoing review of the company's historical stock option practices by the special subcommittee of the company's board of directors and the company becoming current in its delinquent periodic reports and filing any required restatements of its previously issued historical financial statements with the Securities and Exchange Commission by May 9, 2007.

Activision intends to comply with all requirements for the extension, including filing its Quarterly Reports on Form 10-Q for the quarters ended September 30, 2006 and December 31, 2006 on or before May 9, 2007, however there can be no assurance it will be able to do so. In the event the company is unable to do so, the company's common stock may be delisted.

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 \$1.47 billion for the fiscal year ended March 31, 2006.

Activision maintains operations in the U.S., Canada, the United Kingdom, France, Germany, Italy, Japan, Australia, Scandinavia, Spain, the Netherlands and South Korea. More information about Activision and its products can be found on the company's World Wide Web site, which is located at www.activision.com.

Cautionary Notes Regarding Forward-Looking Statements: The statements made in this press release that are not historical facts are "forward-looking statements." These forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties. The company cautions readers of this press release that a number of important factors could cause Activision's actual future results to differ materially from those expressed in any such forward-looking statements. Such factors include, without limitation, the company's ability to timely file required reports with the SEC, the possibility that the company will be subject to delisting from The Nasdaq Stock Market due to its inability to timely file periodic reports under the Securities Exchange Act of 1934 or failure to satisfy other requirements for continued listing, the findings of the special sub-committee, the effect of the special sub-committee's review and conclusions on, and other developments in, the informal inquiry opened by the SEC in July 2006 and the derivative litigation filed in July 2006 against certain current and former directors and officers of the company, the possibility that additional claims and proceedings will be commenced, including additional stockholder litigation, employee litigation, and additional actions by the SEC and/or other regulatory agencies, and direct and indirect expenses and diversion of management time resulting from or relating to the special sub-committee review and related regulatory proceedings and litigation. Other factors that could cause Activision's actual future results to differ materially from those expressed in the forward-looking statements set forth in this release include, without limitation, other litigation (unrelated to stock option granting practices), sales of the company's titles, shifts consumer spending trends, the seasonal and cyclical nature of the interactive game market, the company's ability to predict consumer preferences among competing hardware platforms (including next-generation hardware), declines in software pricing, product returns and price protection, product delays, retail acceptance of the company's products, adoption rate of new hardware and related software, industry competition, rapid changes in technology and industry standards, protection of proprietary rights, maintenance of relationships with key personnel, vendors and third-party developers, international economic and political conditions, natural disasters, integration of recently acquired subsidiaries, and identification of suitable future acquisition opportunities. These important factors and other factors that potentially could cause actual future results to differ materially from current expectations are described in our filings with the SEC, including the company's most recent annual report on Form 10-K, quarterly report on Form 10-Q and current reports on Form 8-K dated October 25, 2006, November 6, 2006, November 15, 2006, January 25, 2007, February 7, 2007 and February 8, 2007. Readers of this press release are referred to such filings. The forward-looking statements in this press release are based upon information available to the company as of the date of the release, and the company assumes no obligations to update any such forward-looking statement. The company may change its intention, belief or expectation, at any time and without notice, based upon any changes in the enumerated

factors or in the company's assumptions, or otherwise, and forward-looking statements believed to be true when made may ultimately prove to be incorrect. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the company's control and may cause our actual results to differ materially from our current expectations.

SOURCE: Activision, Inc.

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