id Software Storms The Front Lines With Enemy Territory: Quake Wars

Santa Monica, CA - May 16, 2005 - id Software™and Activision, Inc. (Nasdaq: ATVI) today announced the development of ENEMY TERRITORY: QUAKE WARS™. Developed by Splash Damage and built on id Software's new MegaTexture™ rendering technology, ENEMY TERRITORY: QUAKE WARS pits the armies of Earth against the invading alien Strogg in the ultimate online strategic shooter. Featuring strategic team play, persistent character promotions, day and nighttime combat missions, and the universe's most powerful weapons and vehicles, ENEMY TERRITORY: QUAKE WARS transports players to the front lines of an epic new war for Earth.

"For years, fans have enjoyed incredible battles on the Strogg home planet; but with ENEMY TERRITORY: QUAKE WARS, we're taking players back to the war that started it all - the Strogg invasion of Earth - where the choice is to fight with the humans or the alien Strogg in a massive campaign for survival," said Todd Hollenshead, CEO, id Software. "Like all great id Software games, ENEMY TERRITORY: QUAKE WARS unites bleeding-edge technology, a fantastic universe, and meticulously balanced gameplay to deliver an engrossing and futuristic gaming experience."

"We have been so proud of Wolfenstein: Enemy Territory's™rave reviews, 'Game of the Year' awards, and massive fan-base, so to work with id again in developing ENEMY TERRITORY: QUAKE WARS is an amazing opportunity." states Paul Wedgwood, Lead Game Designer and Owner of Splash Damage Ltd. "The stories of the Strogg invasion of Earth have always fascinated me, and now through ENEMY TERRITORY: QUAKE WARS, we're able to bring this incredible war to life with an uncompromising level of detail and realism."

As the invasion begins, players choose to battle as one of five unique classes in either the EDF (Earth Defense Force - humans) or the barbaric alien Strogg armies, each augmented with specialist weapons and combat hardware. Troops utilize over 40 conventional and futuristic vehicles, deployable structures, and defense systems like quad-bikes, tanks, and alien walkers for epic ground assaults; or helicopters and anti-gravity ships to lend firepower from the air. Throughout each battle, teams establish bases, deploy defense structures, artillery, radar, and advanced forward-command systems into enemy territory while constructing and demolishing obstacles to speed progress and gain a tactical advantage over the enemy.

With realistic dynamic lighting and shadowing from headlights, searchlights and even the moon, battles can be fought during the day or night; while accurate simulation of the atmosphere, weather, and vegetation combine to create an unparalleled degree of realism. Battlefields are perfectly rendered using MegaTexture, a totally new rendering technology developed by id Software that crunches millions of polygons and a gigabyte-scale texture into a single, seamless and un-tiled landscape with unique detail down to the square inch or the un-obscured distant horizon.

Players can take on class specific missions or join a fireteam to utilize advanced command and communication options, including voice-chat and the game's context sensitive mission order system. With bitterly contested multi-battle campaigns, each soldier fights not only for victory, but to gain valuable skills, special rewards for team-play, and persistent military promotions and medals. ENEMY TERRITORY: QUAKE WARS will debut at this year's Electronic Entertainment Expo in Activision's booth #1224 in the South Hall.

About id Software

id - Freud's primal part of the human psyche and one of the hottest game shops on Earth - has been rocking the gaming world from Mesquite, Texas since 1991. As a renowned leader in the industry, id Software forged such frenetic titles as Wolfenstein 3D®, DOOM®, DOOM II®, QUAKE® QUAKE II®, QUAKE III Arena®, and Return to Castle Wolfenstein®. With intense graphics and mind-blowing action, id's games have helped redefine the modern video game, continually setting industry standards for technology and gameplay.

And, in keeping with tradition, id Software has amplified the world of adrenaline pumping 3-D gaming with the release of their latest action title, DOOM 3®. id Software's advanced DOOM 3 engine is leading the next revolution in 3-D interactive games. Check out more about id Software at www.idsoftware.com.

About Splash Damage Ltd

Based in London, England, Splash Damage Ltd is an independently-owned game development studio dedicated to the design and development of multiplayer games utilizing id Software's engine technology. Splash Damage made its name developing id Software's Wolfenstein: Enemy Territory - winner of multiple 'Game of the Year' awards and a British Academy Award

Nomination. Formed in 2001 from key members of the online QUAKE III Arena® mod-making community, Splash Damage is honoured to maintain an exclusive relationship with id Software, as both their mentors and Executive Producers. Splash Damage is also proud to have contributed to the commercial releases of Return to Castle Wolfenstein®: Game of the Year Edition, and DOOM 3®. Check out more about Splash Damage at www.splashdamage.com.

About Activision, Inc.

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 $1.4 billion for the fiscal year ended March 31, 2005.

Activision maintains operations in the U.S., Canada, the United Kingdom, France, Germany, Italy, Japan, Australia, Scandinavia, Spain and the Netherlands. 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.

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, product delays, retail acceptance of our products, 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, integration of recently acquired subsidiaries and identification of suitable future acquisition opportunities. These important factors and other factors that potentially could affect the Company's financial results are described in our filings with the Securities and Exchange Commission, including the Company's most recent Annual report on Form 10-K and Quarterly Report on Form 10-Q. Readers of this press release are referred to such filings. The Company may change its intention, belief or expectation, at any time and without notice, based upon any changes in such factors, in the Company's assumptions or otherwise. The Company undertakes no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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