



Activision and DreamWorks SKG Sign Exclusive Multi-year, Multi-property Publishing Deal

Agreement Includes Interactive Rights to Three Upcoming DreamWorks Computer-Animated Films.

Santa Monica, CA and Glendale, CA - January 21, 2003 - Activision, Inc. and DreamWorks SKG today jointly announced a strategic multi-year, multi-property publishing agreement that grants Activision the exclusive interactive rights to publish games based on DreamWorks' three upcoming computer-animated feature films: "Sharkslayer", "Madagascar", and "Over the Hedge".

Under the terms of the agreement, Activision has acquired the rights to develop and publish games for the console, hand-held and PC platforms. The announcement follows Activision's agreement with TDK Mediactive to co-develop and co-publish games based on DreamWorks' upcoming theatrical sequel to "Shrek".

The first title under the agreement will be "Sharkslayer", scheduled for theatrical release in the fall of 2004. In this comedy, the undersea underworld is shaken up when the son of the "Godfather" of all sharks gets killed and an unwitting young fish named Oscar is found at the scene of the crime. Being the bottom feeder hustler that he is, Oscar takes advantage of this opportunity to play the hero, but soon finds that there are serious consequences to his posing as the great Sharkslayer. The film will be directed by Vicky Jenson ("Shrek") and Eric "Bibo" Bergeron ("Gold and Glory: The Road to El Dorado"), and is being written by Michael J. Wilson ("Ice Age").

The second title, "Madagascar", is a comedic adventure directed by Eric Darnell ("Antz"). The film follows four "civilized" Central Park Zoo animals, who have spent their entire lives in captivity. When they are shipped back to Africa they must come to terms with what it truly means to be "wild".

"Over the Hedge" is the third computer animated title covered in the agreement. Based on the popular comic strip by Michael Fry and T Lewis, and directed by Tim Johnson ("Antz", "Sinbad: Legend of the Seven Seas"), "Over the Hedge" centers on a mischievous con-artist raccoon named R.J. and a timid turtle named Verne. When R.J., Verne and their woodland friends find a suburban housing development encroaching on their forest home, Verne's first instinct is to retreat into his shell and leave. But the ever-opportunistic R.J. sees a treasure trove to be had from his unsuspecting new neighbors. Together, Verne and R.J. form an unlikely friendship as they learn to co-exist with--and even exploit--this strange new world called suburbia.

"We are thrilled to be working with DreamWorks on these exciting properties," states Ron Doornink, President of Activision, Inc. "Each of the three movie projects provides an ideal platform for the creation of exceptional video game franchises. This agreement represents a significant extension of our strategy to develop games based on the highest quality intellectual properties and brands."

"We are excited about forming a strategic relationship with such an innovative market leader in interactive entertainment," says Jeffrey Katzenberg, co-founder of DreamWorks SKG.

"Activision is at the forefront of taking great properties and extending them into cutting edge game franchises," says Brad Globe, head of DreamWorks Consumer Products. "We couldn't be more pleased to be working with them on our upcoming properties."

Robert Kotick, Chairman and CEO of Activision, Inc., adds, "We are incredibly excited to be working with DreamWorks. Their extraordinary characters and stories coupled with our strong game making talent should result in a great alliance for many years to come."

Under the agreement, Activision will work closely with the production teams at DreamWorks to deliver interactive entertainment experiences that remain true to the films. The companies will collaborate closely to bring these incredibly rich stories to life through the visually immersive nature of interactive entertainment.

About DreamWorks SKG

DreamWorks SKG was formed in October, 1994, by its three principal partners - Steven Spielberg, Jeffrey Katzenberg and David Geffen - to produce live-action motion pictures; animated feature films; network and cable tv programming; home video entertainment; records; books; toys; and consumer products.

About Activision

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 revenues of \$786 million for the fiscal year ended March 31, 2002.

Activision maintains operations in the U.S., Canada, the United Kingdom, France, Germany, Japan, Australia, 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 contained in this release that are not historical facts are "forward-looking statements." 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. These important factors, and other factors that could affect Activision, are described in Activision's Annual Report on Form 10-K for the fiscal year ended March 31, 2002, which was filed with the United States Securities and Exchange Commission. Readers of this press release are referred to such filings.

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