

The JFTC Reviewed the Proposed Acquisition of Activision Blizzard, Inc. by Microsoft Corporation

(Tentative Translation)

March 28, 2023

The Japan Fair Trade Commission

Receiving notifications regarding the proposed acquisition of Activision Blizzard, Inc. (“Activision Blizzard” headquartered in the U.S.) by Microsoft Corporation (JCN8700150090374) (“Microsoft” headquartered in the U.S.; and Activision Blizzard and Microsoft are hereinafter collectively referred to as the “Parties”), the Japan Fair Trade Commission (hereinafter referred to as the “JFTC”) reviewed the transaction and reached the conclusion that the transaction is unlikely to result in substantially restraining competition in any particular fields of trade. Accordingly, the JFTC has notified the Parties that the JFTC will not issue a cease and desist order, resulting in the completion of its review.

(*) JCN : Japan Corporate Number

I. Overview of the Transaction

The Parties plan the acquisition of Activision Blizzard by Microsoft through the acquisition of shares and the merger.

II. Reviewing Process

- Receipt of notifications regarding the acquisition of shares and the merger on March 10, 2023 (the start of the phase 1 review)
- Clearance notification on March 28, 2023

III. Conclusion

The JFTC concluded that the transaction is unlikely to result in substantially restraining competition in any particular fields of trade.

(Footnote)

The JFTC has been authorized to conduct reviews on whether plans of business combination may be substantially to restrain competition in particular fields of trade by following procedures prescribed in the Antimonopoly Act (hereinafter referred to as the “AMA”). When a notifying corporation submits a notification form to the JFTC, and the JFTC receives it, the notifying corporation is prohibited from effecting the planned business combination in question by the expiration of the 30-day waiting period from the date of receipt of the said notification. During the waiting period, concerning the business combination in question, the JFTC will either; (1) judge that the

said business combination is not problematic in light of the AMA, or; (2) judge that a more detailed review is necessary and request submission of the necessary reports, information or materials, or; (3) provides Notification of the Commitment Procedures.

In the case of (1) above, to improve transparency of the review of business combination, the JFTC shall give notification to the effect that it will not issue a cease and desist order.

In the case of (2) above, the period when the JFTC may give notice of hearing of opinions shall be extended until 120 days after the date of receipt of the notification or 90 days after the date of receipt of all reports etc., whichever is later. In case the JFTC judges, within this extended period, that the business combination plan in question is not problematic in light of the AMA, it shall give notification to the effect that it will not issue a cease and desist order, same as the case of (1).

In the case of (3) above, the procedures in detail are described in the Policies Concerning Commitment Procedures.

*This is tentative translation.

Please refer to the original text written in Japanese for more details.