

Take-Two Interactive Software, Inc. Announces Max Payne 2 Is In Development; Take-Two Purchases Max Payne Intellectual Property Rights

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NEW YORK, May 22, 2002 (BUSINESS WIRE) -- Take-Two Interactive Software, Inc. (NASDAQ: TTWO) announced today that Rockstar Games, in conjunction with Remedy Entertainment, has begun development of Max Payne 2, a sequel to the blockbuster hit Max Payne.

Max Payne 2 is expected to ship in calendar 2003.

Originally developed for the PC by Remedy Entertainment and produced by 3D Realms, Max Payne debuted as an award winning and top selling PC game in July 2001. PlayStation(R)2 and Xbox(TM) versions of the game were shipped in December 2001, and both achieved immediate critical and commercial success. Global shipments of the Max Payne franchise have exceeded 2.75 million units to date.

Take-Two also announced that it has acquired ownership of the Max Payne brand and all intellectual property rights associated with the brand, including trademarks, copyrights, characters, perpetual license to utilize proprietary technologies, including the Max Payne game engine and associated "Bullet Time(TM)" technology, and rights to license fees from ancillary Max Payne brand extensions such as cinema, television and literary productions.

Take-Two purchased the Max Payne property from Remedy Entertainment and Apogee Software in exchange for \$10 million in cash and 969,932 shares of restricted common stock, in addition to certain future development incentives.

Kelly Sumner, Chief Executive Officer said, "A critical component of Take-Two's corporate strategy is to control the intellectual property rights to our key brands and as a result, build the most value for our company. Max Payne has been one of our most successful product franchises to date. The ownership of this top-selling brand allows us to broadly capitalize on the continued strength of the product on multiple platforms, and extend the brand with exciting sequels as well as providing opportunities for extending the brand to other forms of entertainment."

Scott Miller, Chief Executive Officer of 3D Realms commented, "This is a precedent-setting deal for Take-Two, Remedy and 3D Realms - the first time in our industry a highly successful IP alone has changed ownership hands. This deal validates our strategy for developing strong character-based games. Take-Two benefits tremendously by having full control of the Max Payne brand going forward and being able to properly leverage it to its full potential."

About Take-Two Interactive Software

Headquartered in New York City, Take-Two Interactive Software, Inc. is an integrated global developer, marketer, distributor, and publisher of interactive entertainment software games and accessories for the PC, PlayStation(R), PlayStation(R)2, Xbox (TM), Nintendo Game Boy Color, Nintendo GameCube and Nintendo Game Boy Advance. The Company publishes and develops products through various wholly owned subsidiaries including: Rockstar Games, Rockstar Studios, Gathering of Developers, TalonSoft, Joytech, PopTop, Global Star and under the Take-Two brand name. The Company maintains sales and marketing offices in Cincinnati, New York, Toronto, London, Paris, Munich, Vienna, Copenhagen, Milan, Sydney and Auckland. Take-Two's common stock is publicly traded on NASDAQ under the symbol TTWO. For more corporate and product information please visit our website at www.take2games.com.

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Safe Harbor Statement under the Private Securities Reform Act of 1995: The statements contained herein which are not historical facts are considered forward-looking statements under federal securities laws. Such forward-looking statements are based on the beliefs of our management as well as assumptions made by and information currently available to them. The words "expect," "anticipate," "believe," "may," "estimate," "intend" and similar expressions are intended to identify such forward-looking statements. Forward-looking statements involve risks, uncertainties and assumptions including, but not limited to: risks associated with our future growth and operating results; our ability to continue to successfully manage growth and integrate the operations of acquired businesses; the availability of adequate financing to fund periodic cash flow shortages; credit risks; seasonal factors; inventory

obsolescence; technological change; competitive factors; product returns; failure of retailers to sell-through our products; the timing of the introduction and availability of the company's new software products and third-party hardware platforms; market and industry factors adversely affecting the carrying value of our assets; unfavorable general economic conditions (including the current economic downturn); and acts of war and terrorism, any or all of which could have a material adverse effect on our business, operating results and financial condition. These important factors and other factors that could affect the Company are described in the Company's Annual Report on Form 10-K, as amended, for the fiscal year ended October 31, 2001. Actual operating results may vary significantly from such forward-looking statements. The Company has no obligation to update such forward-looking statements.

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