



**Take-Two Interactive
Software, Inc.**

(NASDAQ: TTWO)

February 2019

CAUTIONARY NOTE: FORWARD-LOOKING STATEMENTS

The statements contained herein which are not historical facts are considered forward-looking statements under federal securities laws and may be identified by words such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "potential," "predicts," "projects," "seeks," "should," "will," or words of similar meaning and include, but are not limited to, statements regarding the outlook for the Company's future business and financial performance. Such forward-looking statements are based on the current beliefs of our management as well as assumptions made by and information currently available to them, which are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Actual outcomes and results may vary materially from these forward-looking statements based on a variety of risks and uncertainties including: our dependence on key management and product development personnel, our dependence on our *Grand Theft Auto* products and our ability to develop other hit titles, the timely release and significant market acceptance of our games, the ability to maintain acceptable pricing levels on our games, and risks associated with international operations. Other important factors and information are contained in the Company's most recent Annual Report on Form 10-K, including the risks summarized in the section entitled "Risk Factors," the Company's most recent Quarterly Report on Form 10-Q, and the Company's other periodic filings with the SEC, which can be accessed at www.take2games.com. All forward-looking statements are qualified by these cautionary statements and apply only as of the date they are made. The Company undertakes no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

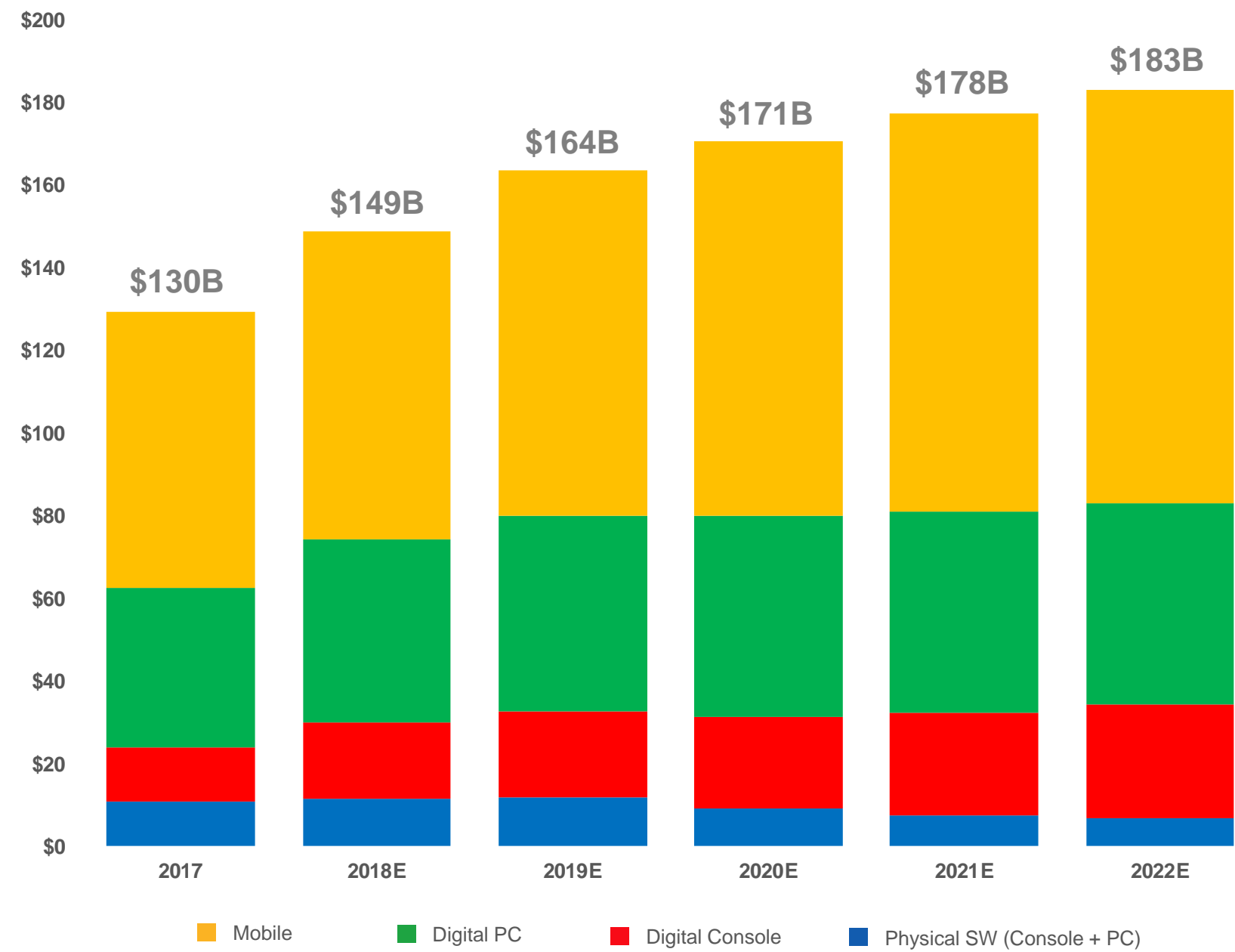
COMPANY OVERVIEW

- Leading global producer and distributor of interactive entertainment, the strongest growth segment of the entertainment industry
- Proven organic growth strategy focused on building compelling interactive entertainment franchises:
 - *World-class creative teams*
 - *Diverse portfolio of industry-leading intellectual property*
- Focused on driving engagement and recurrent consumer spending
- Actively investing in emerging platforms, business models and geographies:
 - *Mobile*
 - *eSports*
 - *China/Asia*
- Sound financial foundation
- Robust development pipeline
- Positioned for long-term growth and margin expansion

EXPANDING MARKET OPPORTUNITY

Global Video Game Market

(In Billions)



Source: IDG Consulting, November 2018. Excludes hardware.

WORLD-CLASS CREATIVE TEAMS



- Groundbreaking blockbuster titles
 - Focused on internally owned and developed IP
 - 8 internal studios
-



- High-quality titles for a range of gamers across all key platforms
 - Sports, shooter, action, role-playing and strategy titles
 - Owned IP and long-term licensed brands
 - 11 internal studios
 - Relationships with top external studios
-

WORLD-CLASS CREATIVE TEAMS



- Acquired in January 2017 for \$250 million
- Deeply-engaging, “mid-core” free-to-play mobile games
- 1 of only 6 publishers to have at least 2 games simultaneously in the annual top-100 grossing mobile games chart ¹
- 1 internal studio



- Publishing label focused on bringing titles from top independent developers to market
- Contracts to publish 3 titles based on new IP from renowned independent studios:

OBSIDIAN

*The Outer Worlds*²



*Ancestors:
The Humankind Odyssey*²



- Publishes *Kerbal Space Program*, which was acquired in May 2017

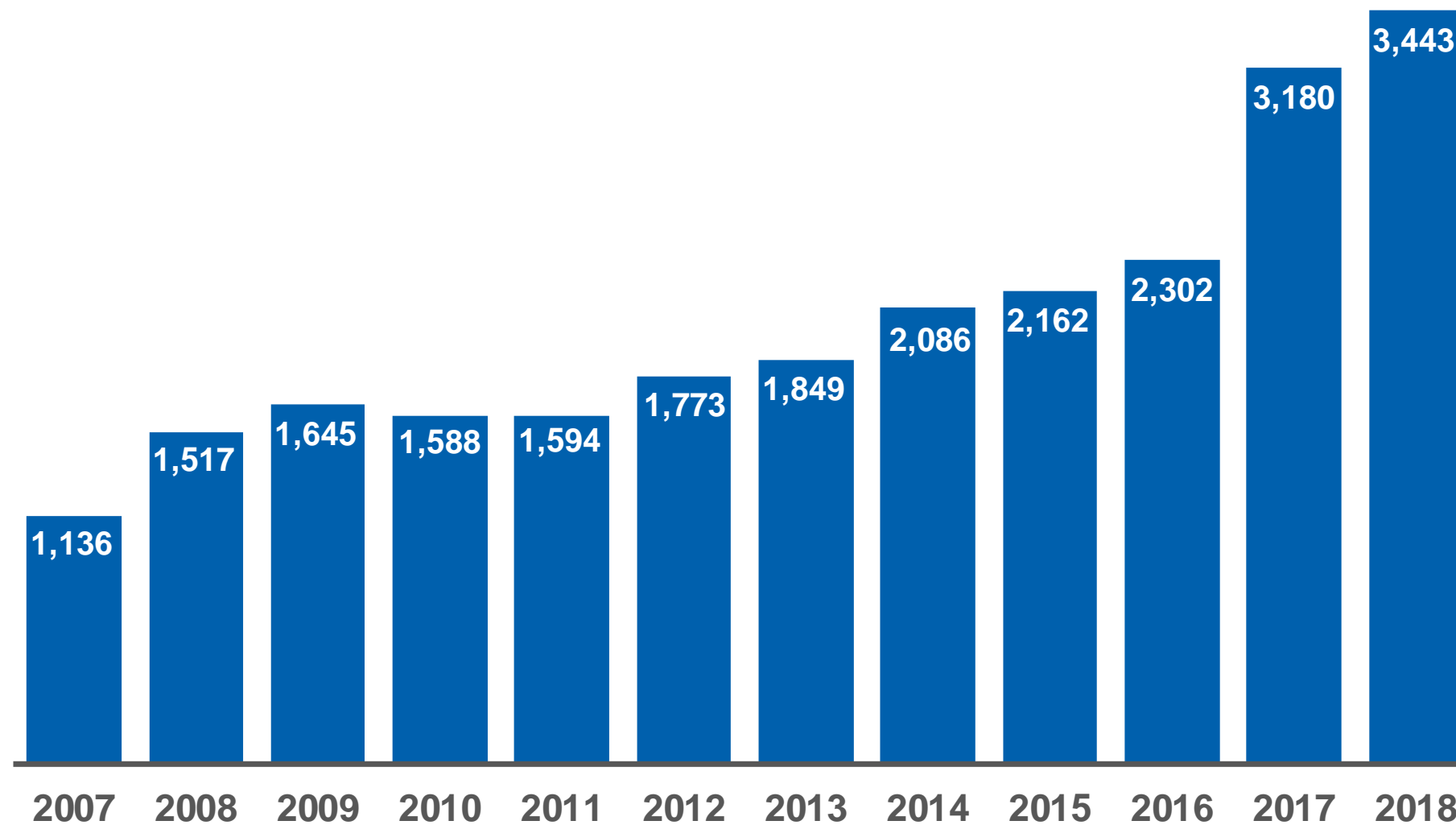
1) Source: AppAnnie. Based on the average of Social Point's respective rankings on iOS and Android, excluding the casino genre, in the U.S. for 2014, 2015, 2016, 2017 and 2018.

2) Planned for launch in calendar 2019 (fiscal 2020).

WORLD-CLASS CREATIVE TEAMS

- Expanding development capacity

Development Studio Staff Headcount *



* As of December 31st of calendar year.

WORLD-CLASS CREATIVE TEAMS

- Track record of developing the industry's highest quality products:
 - Home to the 2 highest-rated titles for Xbox One and PS4*



Rank	Title	Metascore
1	Red Dead Redemption 2	97
2	Grand Theft Auto V	97
3	Metal Gear Solid V: The Phantom Pain	95
4	Celeste	94
5	INSIDE	93



Rank	Title	Metascore
1	Red Dead Redemption 2	97
2	Grand Theft Auto V	97
3	The last of Us Remastered	95
4	God of War	94
5	Persona 5	93

- 4 of the 10 highest-rated titles for Xbox 360 and PS3*



Rank	Title	Metascore
1	Grand Theft Auto IV	98
2	Grand Theft Auto V	97
3	BioShock	96
4	The Orange Box	96
5	Mass Effect 2	96
6	The Elder Scrolls V: Skyrim	96
7	Red Dead Redemption	95
8	Portal 2	95
9	Batman: Arkham City	94
10	Gears of War	94



Rank	Title	Metascore
1	Grand Theft Auto IV	98
2	Grand Theft Auto V	97
3	Uncharted 2: Among Thieves	96
4	Batman: Arkham City	96
5	LittleBigPlanet	95
6	Red Dead Redemption	95
7	The Last of Us	95
8	Portal 2	95
9	BioShock Infinite	94
10	Call of Duty: Modern Warfare 2	94

Source: Metacritic.com as of February 25, 2019.

DIVERSE PORTFOLIO OF INDUSTRY-LEADING INTELLECTUAL PROPERTY

- More than 60 multi-million unit selling titles
- 11 series with individual titles that have sold-in 5 million units:
 - *BioShock*
 - *Borderlands*
 - *Carnival Games*
 - *Grand Theft Auto*
 - *L.A. Noire*
 - *Mafia*
 - *Max Payne*
 - *Midnight Club*
 - *NBA 2K*
 - *Red Dead*
 - *Sid Meier's Civilization*
- 3 top-100 grossing mobile games*:
 - *Dragon City*
 - *Monster Legends*
 - *WWE SuperCard*

* Source: AppAnnie. Based on the average of these games' respective rankings on iOS and Android, excluding the casino genre, in the U.S. for 2017 and 2018.

DIVERSE PORTFOLIO OF INDUSTRY-LEADING INTELLECTUAL PROPERTY

THE GRAND THEFT AUTO SERIES



- Created by Rockstar Games
- One of the most successful, iconic and critically acclaimed brands in all of entertainment
- Pioneered the open-world genre
- Series has sold-in over 290 million units
- **Grand Theft Auto V:**
 - More than 100 million units sold-in to date
 - Reached \$1 billion in retail sales faster than any entertainment release in history
- **Grand Theft Auto Online:**
 - Constantly evolving
 - Regular release of free updates (over 40 to date)
 - Free with every copy of Grand Theft Auto V

DIVERSE PORTFOLIO OF INDUSTRY-LEADING INTELLECTUAL PROPERTY

THE RED DEAD REDEMPTION SERIES



- Propelled the Western to the forefront of entertainment
- Series has sold-in 44 million units worldwide
- **Red Dead Redemption 2:**
 - *First title from Rockstar Games built from ground up for current generation consoles*
 - *Achieved the biggest opening weekend in the history of entertainment, with over \$725 million in retail sell-through during its first 3-days*
 - *Has sold-in more than 23 million units**
- **Red Dead Online:**
 - *Constantly evolving*
 - *Free with every copy of Red Dead Redemption 2*
 - *Currently in open public beta*

* As of February 5, 2019

DIVERSE PORTFOLIO OF INDUSTRY-LEADING INTELLECTUAL PROPERTY

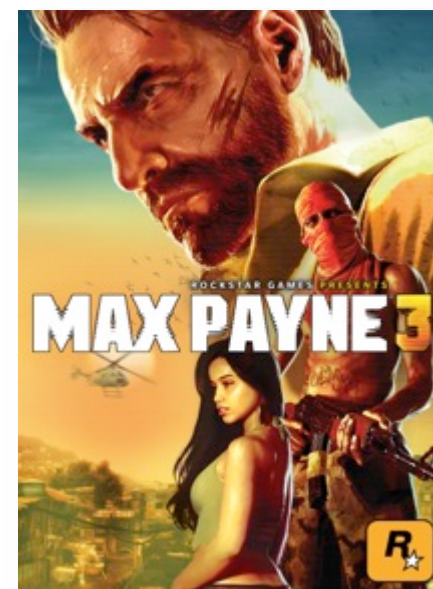
OTHER TOP ROCKSTAR SERIES



- Utilized revolutionary facial animation technology and deep story to blur the lines between film and games
- First video game to be an official selection of the Tribeca Film Festival
- *L.A. Noire: The VR Case Files* is one of the industry's top-rated virtual reality experiences



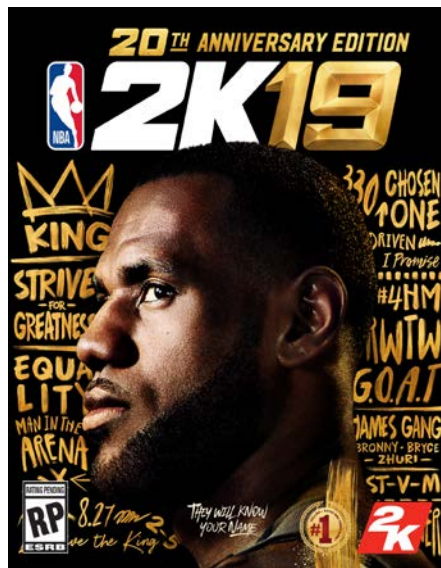
- The *Midnight Club* series created the open-city street racing genre



- Rockstar Games' most technologically sophisticated and cinematic action-shooter to date

DIVERSE PORTFOLIO OF INDUSTRY-LEADING INTELLECTUAL PROPERTY

THE NBA 2K SERIES



- Top-selling and top-rated NBA simulation video game ¹
- Series has sold-in nearly 90 million units
- Net Bookings have grown at 20% CAGR over past 6 releases ²
- Highly successful virtual currency
- *NBA 2K18* is our top-selling sports title ever, with sell-in of over 10 million units
- Extending franchise with *NBA 2K Online* in Asia, *NBA 2K Playgrounds 2* and *NBA 2K Mobile*
- *NBA 2K League*, the first competitive gaming league jointly owned by a U.S. professional sports league, debuted in May, 2018

1) According to 2008-2018 Metacritic.com and The NPD Group estimates of U.S. retail video game sales through January 2019.

2) Included Net Bookings from NBA 2K13 to NBA 2K18 through September, 2018.

DIVERSE PORTFOLIO OF INDUSTRY-LEADING INTELLECTUAL PROPERTY

OTHER TOP 2K SERIES



- Critically acclaimed, role-playing shooter
- Franchise has sold-in over 41 million units
- *Borderlands 2* is 2K's top-selling title with over 19 million units sold-in to date
- Successful add-on content



- Unique, artistic, narrative-driven shooter
- Franchise has sold-in over 33 million units
- *BioShock* is the highest-rated first-person shooter of all time



- One of world's top strategy titles for the PC
- Franchise has sold-in nearly 50 million units
- Successful add-on episodes
- Expanding brand in Asia with *Civilization Online*



- Authentic, action-packed gangster saga



- Successful World Wrestling Entertainment video game franchise released annually
- *WWE SuperCard* is 2K's highest-grossing mobile game with nearly 18.5 million downloads



- Reimagined classic franchise as critically acclaimed, turn-based strategy game

DIVERSE PORTFOLIO OF INDUSTRY-LEADING INTELLECTUAL PROPERTY

TOP SOCIAL POINT MOBILE GAMES



- *Dragon City* – simulation game involving breeding, building and battling, in which players create and expand their city, and collect 500+ unique dragons
- Originally launched on Facebook in 2012 and on mobile in January 2013
- Consistently charted in the annual top-100 grossing mobile games and top-20 grossing simulation games*



- *Monster Legends* – RPG involving breeding, building and battling with monsters
- Launched in 2013
- Consistently charted in the annual top-100 grossing mobile games and top-25 grossing RPG games*

* Source: AppAnnie. Based on the average of these games' respective rankings on iOS and Android, excluding the casino genre, in the U.S. for 2014, 2015, 2016, 2017 and 2018.

PROMOTING ENGAGEMENT AND GROWTH IN RECURRENT CONSUMER SPENDING

- Virtual currency



- Free-to-play



- Add-on content



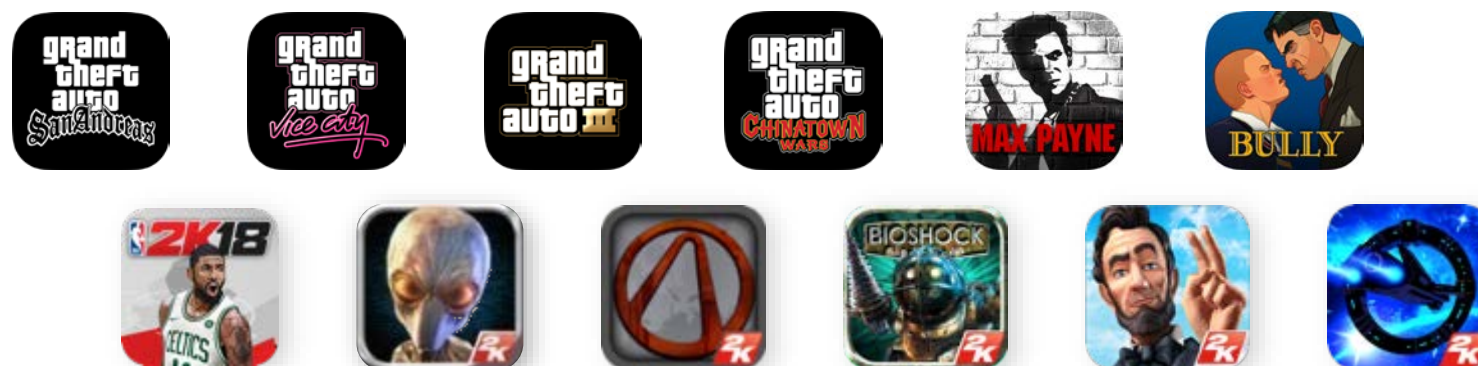
ACTIVELY INVESTING IN EMERGING OPPORTUNITIES

■ Mobile

- *High-quality, free-to-play IP created for mobile platforms*



- *Core gaming experiences optimized for smaller screens*



- *Free-to-play Apps related to core franchises*



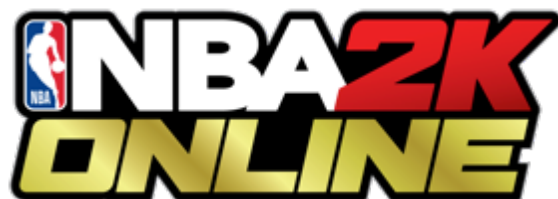
ACTIVELY INVESTING IN EMERGING OPPORTUNITIES

■ eSports



- Joint venture between Take-Two and the NBA
- Successful inaugural season concluded in August, 2018, with 17 teams participating
- 4 additional teams have signed-on, bringing the total to 21 teams that will compete in season 2

■ China/Asia

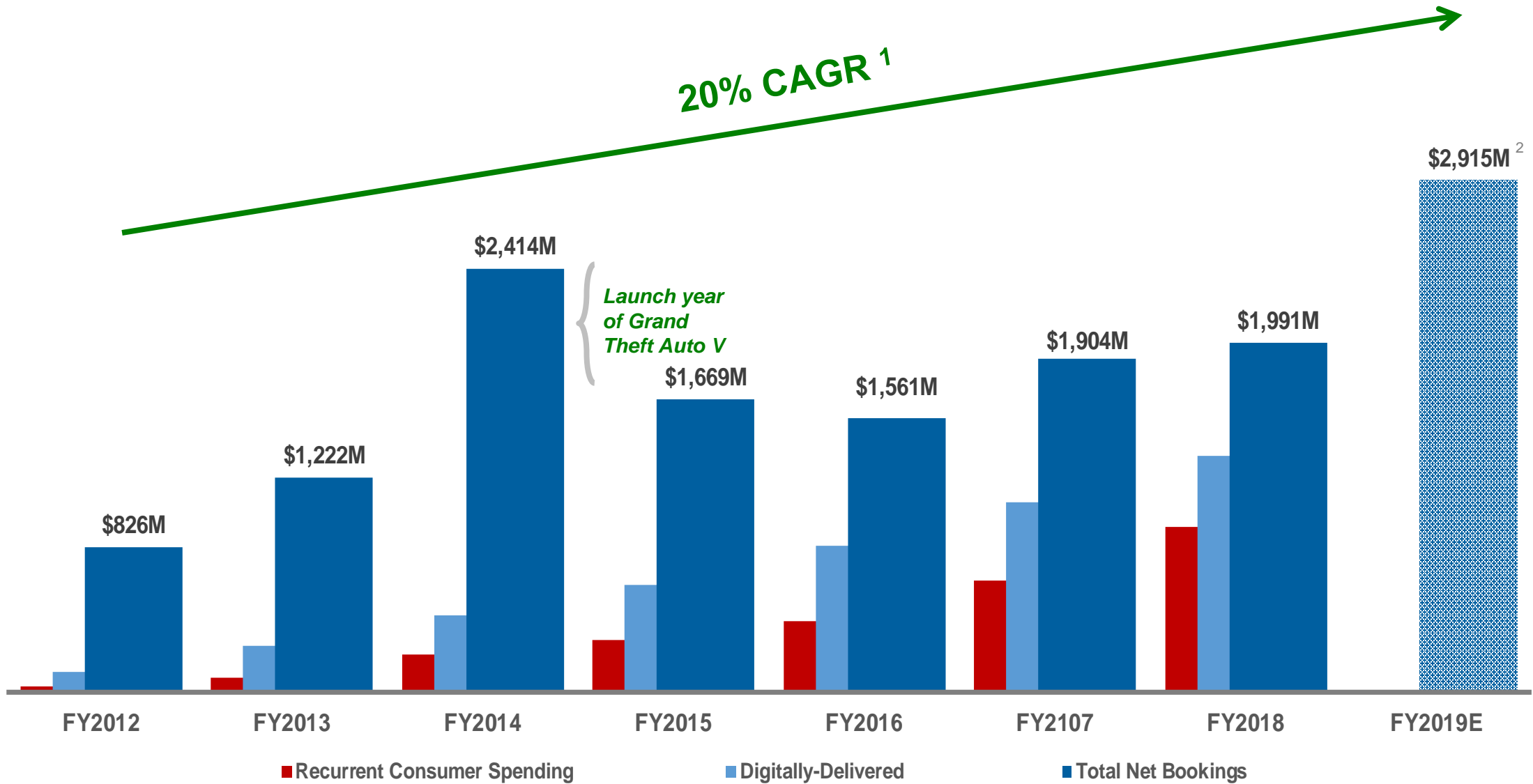


- Free-to-play NBA simulation co-developed by Visual Concepts and Tencent
- #1 PC online sports game in China with 43 million registered users
- *NBA 2K Online 2* launched in August, 2018



- In development in partnership with Guangzhou Radiance Software Technology
- Planned for launch in China and other regions in the future

DELIVERING LONG-TERM NET BOOKINGS GROWTH



Digital % of Total

13%	22%	18%	37%	53%	57%	68%	CAGR
							52%

Recurrent Consumer Spending % of Total ³

4%	7%	9%	18%	26%	33%	48%	CAGR
							76%

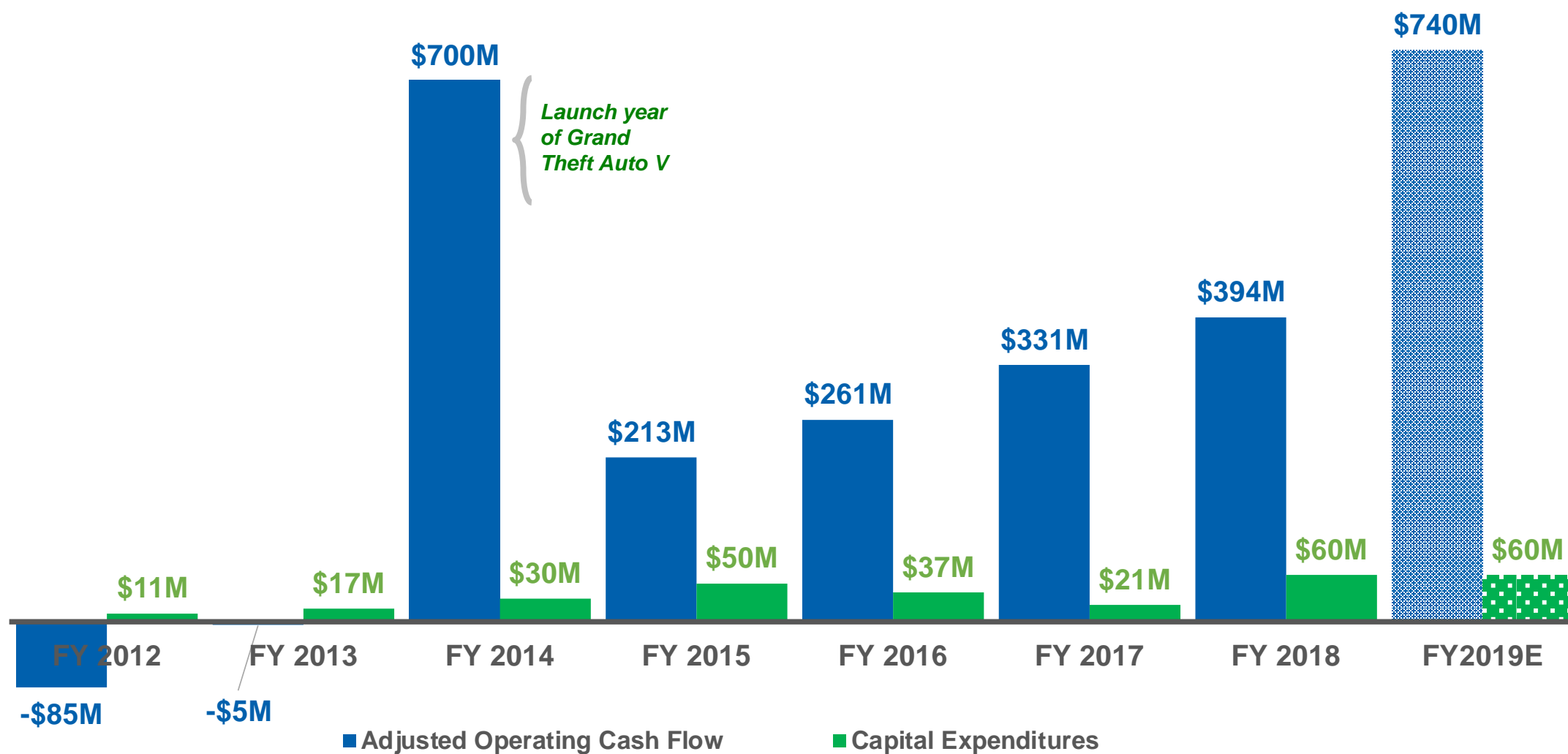
¹ 20% CAGR assumes that FY2019 Net Bookings outlook is achieved at midpoint of range.

² Midpoint of outlook range of \$2.89 to \$2.94 billion.

³ Recurrent consumer spending includes virtual currency, add-on content and in-game purchases, including the allocated value of virtual currency and ad-on content included in special editions of certain games.

... AND INCREASING CASHFLOW

Adjusted Operating Cash Flow (Non-GAAP) * And Capital Expenditures



* During Q2 FY19, the Company began reporting a Non-GAAP measure of financial performance: Adjusted Operating Cash Flow, which is defined as GAAP net cash from operating activities, adjusted for changes in restricted cash. Prior periods have been restated in the chart above. Please see the slide titled "Non-GAAP Financial Measure" for additional information and a reconciliation to GAAP.

SOUND FINANCIAL FOUNDATION

- Strong balance sheet and capital reserve:
 - *\$1.6 billion in cash and short-term investments**
 - *\$200 million undrawn credit line*

- Investing to drive profitable long-term growth:
 - *Organic opportunities*
 - *Disciplined approach to acquisitions*

- Opportunistically returning capital to shareholders:
 - *During FY2018 repurchased 1.51 million shares of stock for \$155 million*
 - *During FY2019 to date repurchased 2.60 million share of stock for \$262 million**

* As of December 31, 2018

LONG-TERM STRATEGY

- Endeavor to be the most creative, innovative and efficient company in our industry
- Continue to publish the highest-quality interactive entertainment
- Support games with offerings designed to drive engagement and recurrent consumer spending
- Increase development capacity and scale:
 - *Goal is to have a more consistent release schedule and further mitigate the variability of financial results*
- Actively invest in emerging platforms, business models and geographies, which represent asymmetric upside opportunities:
 - *Mobile*
 - *eSports*
 - *Private Division*
 - *China/Asia*
- Deliver revenue growth and margin expansion over the long-term

NON-GAAP FINANCIAL MEASURE

In addition to reporting financial results in accordance with U.S. generally accepted accounting principles (GAAP), the Company uses a Non-GAAP measure of financial performance: Adjusted Operating Cash Flow, which is defined as GAAP net cash from operating activities, adjusted for changes in restricted cash. The Company's management believes it is important to consider Adjusted Operating Cash Flow, in addition to net cash from operating activities, as it provides more transparency into current business trends without regard to the timing of payments from restricted cash, which is primarily related to a dedicated account limited to the payment of certain internal royalty obligations.

This Non-GAAP financial measure is not intended to be considered in isolation from, as a substitute for, or superior to, GAAP results. This Non-GAAP financial measure may be different from similarly titled measures used by other companies. In the future, Take-Two may also consider whether other items should also be excluded in calculating this Non-GAAP financial measure used by the Company. Management believes that the presentation of this Non-GAAP financial measure provides investors with additional useful information to measure Take-Two's financial and operating performance. In particular, this measure facilitates comparison of our operating performance between periods and may help investors to understand better the operating results of Take-Two. Internally, management uses this Non-GAAP financial measure in assessing the Company's operating results and in planning and forecasting. A reconciliation of this Non-GAAP financial measure to the most comparable GAAP measure is contained in the chart below.

Reconciliation of GAAP to Non-GAAP Measure

(\$ in millions)	FY 2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019E
Net cash provided by (used in) operating activities	(\$89)	(\$14)	\$887	\$189	\$353	\$408	\$494	\$545
Net change in restricted cash	4	9	(187)	24	(92)	(77)	(100)	195
Adjusted Operating Cash Flow	<u>(\$85)</u>	<u>(\$ 5)</u>	<u>\$700</u>	<u>\$213</u>	<u>\$261</u>	<u>\$331</u>	<u>\$394</u>	<u>\$740</u>



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