

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 8, 2024

TAKE-TWO INTERACTIVE SOFTWARE, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-34003 (Commission File Number)	51-0350842 (IRS Employer Identification No.)
110 West 44th Street, New York, New York (Address of principal executive offices)		10036 (Zip Code)

Registrant's telephone number, including area code **(646) 536-2842**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$0.01 par value	TTWO	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition

On August 8, 2024, Take-Two Interactive Software, Inc. (the “Company”) issued a press release announcing the financial results of the Company for its first fiscal quarter ended June 30, 2024. A copy of the press release is attached to this Current Report as Exhibit 99.1 and is incorporated by reference herein.

The information included in this Current Report on Form 8-K, including Exhibit 99.1 hereto, that is furnished pursuant to this Item 2.02 shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. In addition, the information included in this Current Report on Form 8-K, including Exhibit 99.1 hereto, that is furnished pursuant to this Item 2.02 shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference into such filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits:

99.1 [Press Release dated August 8, 2024 relating to Take-Two Interactive Software, Inc.’s financial results for its first fiscal quarter ended June 30, 2024](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TAKE-TWO INTERACTIVE SOFTWARE, INC.
(Registrant)

By: /s/ Matthew Breitman
Matthew Breitman
Senior Vice President, General Counsel Americas
& Corporate Secretary

Date: August 8, 2024



FOR IMMEDIATE RELEASE

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Take-Two Interactive Software, Inc. Reports Results for Fiscal First Quarter 2025

\$1.22 billion Net Bookings, in line with guidance

Company updates outlook for fiscal 2025 and reiterates Net Bookings outlook for fiscal year 2025 of \$5.55 to \$5.65 billion

New York, NY – August 8, 2024 – Take-Two Interactive Software, Inc. (NASDAQ:TTWO) today reported results for the first quarter of its fiscal year 2025, ended June 30, 2024. For further information, please see the first quarter fiscal 2025 results slide deck posted to the Company's investor relations website at take2games.com/ir.

Management Comments

"We achieved solid first quarter results by engaging our players with exciting new game releases and content updates, while also maintaining our focus on efficiency. Our management team remains confident in our path forward and we are reiterating our Net Bookings outlook for the year of \$5.55 to \$5.65 billion," said Strauss Zelnick, Chairman and CEO of Take-Two Interactive.

"We are highly optimistic about our future — our core franchises remain vibrant, our teams are hard at work on the most ambitious development pipeline in our history, and we are evaluating continually new growth opportunities that have the ability to enhance our business model and financial profile. As we pursue our strategic priorities, we expect to achieve sequential increases in Net Bookings in Fiscal 2026 and 2027, which we believe will drive long-term shareholder value."

First Quarter Fiscal 2025 Financial and Operational Highlights

- Total Net Bookings* grew 1% to \$1.22 billion, as compared to \$1.20 billion during last year's fiscal first quarter.
 - Net Bookings from recurrent consumer spending** were flat and accounted for 83% of total Net Bookings.
 - The largest contributors to Net Bookings were *NBA® 2K24*, *Grand Theft Auto® Online* and *Grand Theft Auto V*, *Toon Blast™*, our hyper-casual mobile portfolio, *Empires & Puzzles™*, *Match Factory!™*, *Red Dead Redemption® 2* and *Red Dead Online*, *Words With Friends™*, and *Merge Dragons!™*.

- GAAP net revenue increased 4% to \$1.34 billion, as compared to \$1.28 billion in last year's fiscal first quarter.
 - Recurrent consumer spending** increased 3% and accounted for 82% of total GAAP net revenue.
 - The largest contributors to GAAP net revenue were *NBA 2K24*, *Grand Theft Auto Online* and *Grand Theft Auto V*, *Toon Blast*, *Empires & Puzzles*, our hyper-casual mobile portfolio, *Match Factory!*, *Red Dead Redemption 2* and *Red Dead Online*, *Words With Friends*, and *Merge Dragons!*.
- GAAP net loss was \$262.0 million, or \$1.52 per share, as compared to \$206.0 million, or \$1.22 per share, for the comparable period last year.

* Net Bookings is our operational metric and defined as the net amount of products and services sold digitally or sold-in physically during the period, and includes licensing fees, merchandise, in-game advertising, strategy guides and publisher incentives.

** Recurrent consumer spending is generated from ongoing consumer engagement and includes virtual currency, add-on content, in-game purchases and in-game advertising.

First Quarter Fiscal 2025 Financial Results

The following data is used internally by the Company's management and Board of Directors to adjust the Company's GAAP and Non-GAAP financial results in order to facilitate comparison of its operating performance between periods and to better understand its core business and future outlook:

in millions	Three Months Ended June 30, 2024						
	Statement of Operations	Financial Data					
		Change in deferred net revenue and related cost of revenue	Stock-based compensation	Amortization of acquired intangibles	Business reorganization	Business acquisition	Other ^(a)
GAAP							
Total net revenue	\$1,338.2	(120.1)					
Cost of revenue	567.1	(11.1)	(2.9)	(164.4)			
Gross profit	771.1	(109.0)	2.9	164.4			
Operating expenses	956.0		(72.4)	(17.7)	(49.5)	(16.8)	
(Loss) income from operations	(184.9)	(109.0)	75.3	182.0	49.5	16.8	
Interest and other, net	(24.2)	0.6				1.9	2.1
(Loss) gain on fair value adjustments, net	(3.1)					0.7	2.4
(Loss) income before income taxes	(212.2)	(108.3)	75.3	182.0	49.5	19.4	4.5
Non-GAAP							
EBITDA	24.9	(109.0)	75.3		49.5	18.0	4.5

Note: For management reporting purposes, the table above assumes a management tax rate of 18% and a fully diluted share count of 174.6 million in order to calculate diluted net income per share.

^(a) Other includes adjustments for (i) the revaluation of the Turkish Lira against the U.S. Dollar and (ii) fair value adjustments related to certain equity investments.

Outlook for Fiscal 2025

Take-Two is revising its outlook for the fiscal year ending March 31, 2025 and providing its initial outlook for its fiscal second quarter ending September 30, 2024:

Fiscal Year Ending March 31, 2025

The Company is also providing selected data, which is used internally by its management and Board of Directors to adjust the Company's GAAP and Non-GAAP financial outlook in order to facilitate comparison of its operating performance between periods and to better understand its core business and future outlook:

\$ in millions except for per share amounts	Fiscal Year Ending March 31, 2025				
	Outlook ⁽¹⁾	Financial Data			Business reorganization and other ^(a)
		Change in deferred net revenue and related cost of revenue	Stock-based compensation	Amortization and impairment of acquired intangibles	
GAAP					
Total net revenue	\$5,570 to \$5,670	\$(20)			
Cost of revenue	\$2,382 to \$2,407	\$10	\$(13)	\$(667)	
Operating expenses	\$3,695 to \$3,715		\$(302)	\$(70)	\$(93)
Interest and other, net	\$112				\$(12)
(Loss) income before income taxes	\$(619) to \$(564)	\$(30)	\$315	\$737	\$105
Net loss	\$(757) to \$(690)				
Net loss per share	\$(4.33) to \$(3.95)				
Net cash provided by operating activities	approximately \$(200)				
Capital expenditures	approximately \$140				
Non-GAAP					
EBITDA	\$365 to \$420	\$(30)	\$315		\$93
Adjusted Unrestricted Operating Cash Flow	approximately \$(150)				
Operational metric					
Net Bookings	\$5,550 to \$5,650				

- Management reporting tax rate anticipated to be 18%
- Share count used to calculate GAAP net loss per share is expected to be 174.9 million
- Share count used to calculate management reporting diluted net income per share is expected to be 177.4 million

^(a) Other includes adjustments for (i) business acquisition expenses, (ii) the revaluation of the Turkish Lira against the U.S. Dollar, and (iii) fair value adjustments related to certain equity investments.

Second Quarter Ending September 30, 2024

The Company is also providing selected data, which is used internally by its management and Board of Directors to adjust the Company's GAAP and Non-GAAP financial outlook in order to facilitate comparison of its operating performance between periods and to better understand its core business and future outlook:

	Three Months Ending September 30, 2024				
	Outlook ⁽¹⁾	Financial Data			
		Change in deferred net revenue and related cost of revenue	Stock-based compensation	Amortization of intangible assets	Business reorganization and business acquisition
<i>\$ in millions except for per share amounts</i>					
GAAP					
Total net revenue	\$1,290 to \$1,340	\$130			
Cost of revenue	\$609 to \$627	\$13		\$(168)	
Operating expenses	\$982 to \$992		\$(77)	\$(18)	\$(22)
Interest and other, net	\$28				\$(2)
(Loss) income before income taxes	\$(329) to \$(307)	\$117	\$77	\$186	\$24
Net loss	\$(400) to \$(373)				
Net loss per share	\$(2.30) to \$(2.15)				
Non-GAAP					
EBITDA	\$(81) to \$(59)	\$117	\$77		\$22
Operational metric					
Net Bookings	\$1,420 to \$1,470				

- Management reporting tax rate anticipated to be 18%
- Share count used to calculate GAAP net loss per share is expected to be 173.8 million
- Share count used to calculate management reporting diluted net income per share is expected to be 177.4 million

1) The individual components of the financial outlook may not foot to the totals, as the Company does not expect actual results for every component to be at the low end or high end of the outlook range simultaneously.

Key assumptions and dependencies underlying the Company's outlook include: a continuation of the current economic backdrop; the timely delivery of the titles included in this financial outlook; continued growth in the installed base of PlayStation 5 and Xbox Series X|S, as well as engagement on Xbox One and PlayStation 4; the ability to develop and publish products that capture market share for these current generation systems while also leveraging opportunities on PC, mobile and other platforms; factors affecting our performance on mobile, such as player acquisition costs; our ongoing focus on our live services portfolio and new game pipeline; and stable foreign exchange rates. See also "Cautionary Note Regarding Forward Looking Statements" below.

Product Releases

The following have been released since April 1, 2024:

Label	Product	Platforms	Release Date
Private Division	<i>No Rest for the Wicked</i>	Early Access on PC	April 18, 2024
2K	<i>NFL 2K Playmakers</i>	iOs, Android	April 23, 2024
2K	<i>TopSpin 2K25</i>	PS4, PS5, Xbox One, Xbox Series X S, PC	April 26, 2024
Zynga	<i>Star Wars: Hunters</i>	iOs, Android, Switch	June 4, 2024
Rockstar Games	<i>Bottom Dollar Bounties</i> Summer Update	PS4, PS5, Xbox One, Xbox Series X S, PC	June 25, 2024
Zynga	<i>Game of Thrones: Legends</i>	iOs, Android	July 25, 2024

Take-Two's future lineup announced to-date includes:

Label	Product	Platforms	Release Date
2K	<i>NBA 2K25</i>	PS5, PS4, Xbox Series X S Xbox One, PC, Switch	September 6, 2024
2K	<i>WWE 2K25</i>	TBA	Q4 Fiscal 2025
2K	<i>Sid Meier's Civilization VII</i>	PS5, PS4, Xbox Series X S Xbox One, PC	Q4 Fiscal 2025
Private Division	<i>Tales of the Shire: A The Lord of the Rings Game</i>	PS5, Xbox Series X S, PC, Switch	Fiscal 2025
Rockstar Games	<i>Grand Theft Auto VI</i>	PS5, Xbox Series X S	Fall of Calendar 2025
Zynga	<i>CSR Racing 3</i>	iOS, Android	TBA
Ghost Story Games	<i>Judas</i>	PS5, Xbox Series X S, PC	TBA
Private Division	<i>Tales of the Shire: A The Lord of the Rings Game</i>	Netflix	TBA

Conference Call

Take-Two will host a conference call today at 4:30 p.m. Eastern Time to review these results and discuss other topics. The call can be accessed by dialing (877) 407-0984 or (201) 689-8577. A live listen-only webcast of the call will be available by visiting <http://ir.take2games.com> and a replay will be available following the call at the same location.

Non-GAAP Financial Measures

In addition to reporting financial results in accordance with U.S. generally accepted accounting principles (GAAP), the Company uses Non-GAAP measures of financial performance: **Adjusted Unrestricted Operating Cash Flow**, which is defined as GAAP net cash from operating activities, adjusted for changes in restricted cash, and **EBITDA**, which is defined as GAAP net income (loss) excluding interest income (expense), provision for (benefit from) income taxes, depreciation expense, and amortization and impairment of acquired intangibles.

The Company's management believes it is important to consider Adjusted Unrestricted 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.

The Company's management believes it is important to consider EBITDA, in addition to net income, as it removes the effect of certain non-cash expenses, debt-related charges, and income taxes. Management believes that, when considered together with reported amounts, EBITDA is useful to investors and management in understanding the Company's ongoing operations and in analysis of ongoing operating trends and provides useful additional information relating to the Company's operations and financial condition.

These Non-GAAP financial measures are not intended to be considered in isolation from, as a substitute for, or superior to, GAAP results. These Non-GAAP financial measures 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 these Non-GAAP financial measures used by the Company. Management believes that the presentation of these Non-GAAP financial measures provides investors with additional useful information to measure Take-Two's financial and operating performance. In particular, these measures facilitate comparison of our operating performance between periods and may help investors to understand better the operating results of Take-Two. Internally, management uses these Non-GAAP financial measures in assessing the Company's operating results and in planning and forecasting. A reconciliation of these Non-GAAP financial measures to the most comparable GAAP measure is contained in the financial tables to this press release.

Final Results

The financial results discussed herein are presented on a preliminary basis; final data will be included in Take-Two's Quarterly Report on Form 10-Q for the period ended June 30, 2024.

About Take-Two Interactive Software

Headquartered in New York City, Take-Two Interactive Software, Inc. is a leading developer, publisher, and marketer of interactive entertainment for consumers around the globe. We develop and publish products principally through Rockstar Games, 2K, Private Division, and Zynga. Our products are designed for console gaming systems, PC, and mobile, including smartphones and tablets. We deliver our products through physical retail, digital download, online platforms, and cloud streaming services. The Company's common stock is publicly traded on NASDAQ under the symbol TTWO. For more corporate and product information please visit our website at <http://www.take2games.com>.

All trademarks and copyrights contained herein are the property of their respective holders.

Cautionary Note Regarding Forward-Looking Statements

The statements contained herein, which are not historical facts, including statements relating to Take-Two Interactive Software, Inc.'s ("Take-Two," the "Company," "we," "us," or similar pronouns) outlook, 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 our 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 risks relating to our combination with Zynga Inc.; the risks of conducting business internationally, including as a result of unforeseen geopolitical events; the impact of changes in interest rates by the Federal Reserve and other central banks, including on our short-term investment portfolio; the impact of inflation; volatility in foreign currency exchange rates; our dependence on key management and product development personnel; our dependence on our *NBA 2K* and *Grand Theft Auto* products and our ability to develop other hit titles; our ability to leverage opportunities on PlayStation®5 and Xbox Series X|S; factors affecting our mobile business, such as player acquisition costs; the timely release and significant market acceptance of our games; and the ability to maintain acceptable pricing levels on our games.

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.

TAKE-TWO INTERACTIVE SOFTWARE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)
(in millions, except per share amounts)

	Three Months Ended June 30,	
	2024	2023
Net revenue:		
Game	\$ 1,216.7	\$ 1,096.1
Advertising	121.5	188.6
Total net revenue	1,338.2	1,284.7
Cost of revenue:		
Product costs	203.3	178.9
Game intangibles	163.5	186.9
Software development costs and royalties	76.2	115.7
Internal royalties	69.0	72.6
Licenses	55.1	51.4
Total cost of revenue	567.1	605.5
Gross profit	771.1	679.2
Selling and marketing	431.4	399.4
Research and development	219.8	238.6
General and administrative	210.5	197.9
Depreciation and amortization	44.8	40.4
Business reorganization	49.5	7.2
Total operating expenses	956.0	883.5
Loss from operations	(184.9)	(204.3)
Interest and other, net	(24.2)	(25.4)
(Loss) gain on fair value adjustments, net	(3.1)	0.8
Loss before income taxes	(212.2)	(228.9)
Provision for (benefit from) income taxes	49.8	(22.9)
Net loss	\$ (262.0)	\$ (206.0)
Loss per share:		
Basic and diluted loss per share	\$ (1.52)	\$ (1.22)
Weighted average shares outstanding		
Basic	172.3	169.4

TAKE-TWO INTERACTIVE SOFTWARE, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions, except per share amounts)

	June 30, 2024	March 31, 2024
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,081.1	\$ 754.0
Short-term investments	15.4	22.0
Restricted cash and cash equivalents	306.1	252.1
Accounts receivable, net of allowances of \$1.2 and \$1.2 at June 30, 2024 and March 31, 2024, respectively	594.2	679.7
Software development costs and licenses	62.7	88.3
Contract assets	80.7	85.0
Prepaid expenses and other	418.8	378.6
Total current assets	2,559.0	2,259.7
Fixed assets, net	422.0	411.1
Right-of-use assets	344.0	325.7
Software development costs and licenses, net of current portion	1,606.0	1,446.5
Goodwill	4,706.8	4,426.4
Other intangibles, net	3,005.9	3,060.6
Long-term restricted cash and cash equivalents	84.7	95.9
Other assets	216.2	191.0
Total assets	\$ 12,944.6	\$ 12,216.9
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 170.3	\$ 195.9
Accrued expenses and other current liabilities	1,067.7	1,062.6
Deferred revenue	945.3	1,059.5
Lease liabilities	64.1	63.8
Short-term debt, net	598.9	24.6
Total current liabilities	2,846.3	2,406.4
Long-term debt, net	3,054.4	3,058.3
Non-current deferred revenue	38.2	42.9
Non-current lease liabilities	404.9	387.3
Non-current software development royalties	90.0	102.1
Deferred tax liabilities, net	311.1	340.9
Other long-term liabilities	208.2	211.1
Total liabilities	\$ 6,953.1	\$ 6,549.0
Stockholders' equity:		
Preferred stock, \$0.01 par value, 5.0 shares authorized; no shares issued and outstanding at June 30, 2024 and March 31, 2024	—	—
Common stock, \$0.01 par value, 300.0 and 300.0 shares authorized; 198.8 and 194.5 shares issued and 175.2 and 170.8 outstanding at June 30, 2024 and March 31, 2024, respectively	2.0	1.9
Additional paid-in capital	9,962.5	9,371.6
Treasury stock, at cost; 23.7 and 23.7 common shares at June 30, 2024 and March 31, 2024, respectively	(1,020.6)	(1,020.6)
Accumulated deficit	(2,841.9)	(2,579.9)
Accumulated other comprehensive loss	(110.5)	(105.1)
Total stockholders' equity	\$ 5,991.5	\$ 5,667.9
Total liabilities and stockholders' equity	\$ 12,944.6	\$ 12,216.9

TAKE-TWO INTERACTIVE SOFTWARE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(in millions)

	Three Months Ended June 30,	
	2024	2023
Operating activities:		
Net loss	\$ (262.0)	\$ (206.0)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Amortization and impairment of software development costs and licenses	85.9	69.0
Stock-based compensation	75.3	78.7
Noncash lease expense	16.1	15.0
Amortization and impairment of intangibles	182.0	249.6
Depreciation	35.9	31.5
Interest expense	37.1	36.8
Other, net	5.5	7.9
Changes in assets and liabilities, net of effect from purchases of businesses:		
Accounts receivable	91.6	141.3
Software development costs and licenses	(197.9)	(125.2)
Prepaid expenses and other current and other non-current assets	49.0	(14.4)
Deferred revenue	(118.3)	(87.4)
Accounts payable, accrued expenses and other liabilities	(191.2)	(191.8)
Net cash (used in) provided by operating activities	(191.0)	5.0
Investing activities:		
Change in bank time deposits	6.6	0.8
Sale and maturities of available-for-sale securities	—	78.0
Purchases of fixed assets	(35.1)	(31.5)
Purchases of long-term investments	(11.1)	(5.0)
Business acquisitions	9.6	(1.6)
Other	(4.7)	(2.6)
Net cash (used in) provided by investing activities	(34.7)	38.1
Financing activities:		
Tax payment related to net share settlements on restricted stock awards	—	(41.3)
Issuance of common stock	23.3	18.8
Payment for settlement of convertible notes	(8.3)	—
Proceeds from issuance of debt	598.9	999.3
Cost of debt	(5.4)	(7.5)
Repayment of debt	—	(989.6)
Payment of contingent earn-out consideration	(12.0)	(0.5)
Net cash provided by (used in) financing activities	596.5	(20.8)
Effects of foreign currency exchange rates on cash, cash equivalents, and restricted cash and cash equivalents	(0.9)	3.8
Net change in cash, cash equivalents, and restricted cash and cash equivalents	369.9	26.1
Cash, cash equivalents, and restricted cash and cash equivalents, beginning of year (1)	1,102.0	1,234.6
Cash, cash equivalents, and restricted cash and cash equivalents, end of period (1)	\$ 1,471.9	\$ 1,260.7

⁽¹⁾ Cash, cash equivalents and restricted cash and cash equivalents shown on our Condensed Consolidated Statements of Cash Flow includes amounts in the Cash and cash equivalents, Restricted cash and cash equivalents, and Long-term restricted cash and cash equivalents on our Condensed Consolidated Balance Sheet.

TAKE-TWO INTERACTIVE SOFTWARE, INC. and SUBSIDIARIES

Net Revenue and Net Bookings by Geographic Region, Distribution Channel, and Platform

(in millions)

	Three Months Ended June 30, 2024		Three Months Ended June 30, 2023	
	Amount	% of total	Amount	% of total
Net revenue by geographic region				
United States	\$ 820.5	61 %	\$ 803.9	63 %
International	517.7	39 %	480.8	37 %
Total Net revenue	\$ 1,338.2	100 %	\$ 1,284.7	100 %

Net Bookings by geographic region				
United States	\$ 728.5	60 %	\$ 726.2	60 %
International	489.6	40 %	475.3	40 %
Total Net Bookings	\$ 1,218.1	100 %	\$ 1,201.5	100 %

	Three Months Ended June 30, 2024		Three Months Ended June 30, 2023	
	Amount	% of total	Amount	% of total
Net revenue by distribution channel				
Digital online	\$ 1,295.5	97 %	\$ 1,240.0	97 %
Physical retail and other	42.7	3 %	44.7	3 %
Total Net revenue	\$ 1,338.2	100 %	\$ 1,284.7	100 %

Net Bookings by distribution channel				
Digital online	\$ 1,187.3	97 %	\$ 1,165.8	97 %
Physical retail and other	30.8	3 %	35.7	3 %
Total Net Bookings	\$ 1,218.1	100 %	\$ 1,201.5	100 %

	Three Months Ended June 30, 2024		Three Months Ended June 30, 2023	
	Amount	% of total	Amount	% of total
Net revenue by platform				
Mobile	\$ 722.5	54 %	\$ 680.0	53 %
Console	508.9	38 %	504.3	39 %
PC and other	106.8	8 %	100.4	8 %
Total Net revenue	\$ 1,338.2	100 %	\$ 1,284.7	100 %

Net Bookings by platform				
Mobile	\$ 709.3	58 %	\$ 689.6	57 %
Console	405.4	33 %	419.2	35 %
PC and other	103.4	9 %	92.7	8 %
Total Net Bookings	\$ 1,218.1	100 %	\$ 1,201.5	100 %

TAKE-TWO INTERACTIVE SOFTWARE, INC. and SUBSIDIARIES

ADDITIONAL DATA

(in millions)

Three Months Ended June 30, 2024	Net revenue	Cost of revenue- Product costs	Cost of revenue- Game intangibles	Cost of revenue- Software development costs and royalties	Cost of revenue- Internal royalties	Cost of revenue- Licenses
As reported	\$ 1,338.2	\$ 203.3	\$ 163.5	\$ 76.2	\$ 69.0	\$ 55.1
Net effect from deferred revenue and related cost of revenue	(120.1)	(3.2)		(8.6)		0.7
Stock-based compensation				(2.9)		
Amortization and impairment of acquired intangibles		(0.8)	(163.5)			

Three Months Ended June 30, 2024	Selling and marketing	Research and development	General and administrative	Depreciation and amortization	Business reorganization	Interest and other, net	(Loss) gain on fair value adjustments, net
As reported	\$ 431.4	\$ 219.8	\$ 210.5	\$ 44.8	49.5	\$ (24.2)	\$ (3.1)
Net effect from deferred revenue and related cost of revenue						0.6	
Stock-based compensation	(21.2)	(23.2)	(28.0)				
Amortization and impairment of acquired intangibles	(1.6)	(7.2)		(9.0)			
Acquisition related expenses		(0.1)	(16.8)			1.9	0.7
Impact of business reorganization					(49.5)		
Other						2.1	2.4

Three Months Ended June 30, 2023	Net revenue	Cost of revenue - Game intangibles	Cost of revenue - Product costs	Cost of revenue- Software development costs and royalties	Cost of revenue- Internal royalties	Cost of revenue- Licenses
As reported	\$ 1,284.7	\$ 186.9	\$ 178.9	\$ 115.7	\$ 72.6	\$ 51.4
Net effect from deferred revenue and related cost of revenue	(83.2)		(2.2)	(5.2)		0.6
Stock-based compensation				(6.7)		
Amortization and impairment of acquired intangibles		(186.9)				
Acquisition related expenses						10.0

Three Months Ended June 30, 2023	Selling and marketing	Research and development	General and administrative	Depreciation and amortization	Business reorganization	Interest and other, net	(Loss) gain on fair value adjustments, net
As reported	\$ 399.4	\$ 238.6	\$ 197.9	\$ 40.4	\$ 7.2	\$ (25.4)	\$ 0.8
Net effect from deferred revenue and related cost of revenue						0.6	
Stock-based compensation	(24.3)	(23.6)	(24.1)				
Amortization and impairment of acquired intangibles	(46.3)	(7.2)		(8.9)			
Acquisition related expenses	(0.2)	(1.7)	(25.3)			(4.6)	1.5
Impact of business reorganization					(7.2)		
Other						13.8	(2.3)

TAKE-TWO INTERACTIVE SOFTWARE, INC. and SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP MEASURE
(in millions)

	Three Months Ended June 30,	
	2024	2023
Net cash from operating activities	\$ (191.0)	\$ 5.0
Net change in Restricted cash ⁽¹⁾	(41.8)	(78.8)
Adjusted Unrestricted Operating Cash Flow	\$ (232.8)	\$ (73.8)

	Three Months Ended June 30,	
	2024	2023
Restricted cash beginning of period	\$ 348.0	\$ 407.2
Restricted cash end of period	390.8	484.9
Restricted cash related to acquisitions	(1.0)	1.1
⁽¹⁾ Net change in Restricted cash	\$ (41.8)	\$ (78.8)

TAKE-TWO INTERACTIVE SOFTWARE, INC. and SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP MEASURE

(in millions)

	Three Months Ended June 30,	
	2024	2023
Net loss	\$ (262.0)	\$ (206.0)
Provision for (benefit from) income taxes	49.8	(22.9)
Interest expense	19.2	12.6
Depreciation and amortization	44.8	40.4
Amortization of acquired intangibles	173.1	240.4
EBITDA	<u>\$ 24.9</u>	<u>\$ 64.5</u>

Outlook

	Fiscal Year Ending March 31, 2025
Net loss	\$(757) to \$(690)
Provision for income taxes	\$138 to \$126
Interest expense	\$96
Depreciation	\$151
Amortization of acquired intangibles	\$737
EBITDA	\$365 to \$420

Outlook

	Three Months Ended September 30, 2024
Net loss	\$(400) to \$(373)
Provision for income taxes	\$71 to \$66
Interest expense	\$25
Depreciation	\$37
Amortization of acquired intangibles	\$186
EBITDA	\$(81) to \$(59)