

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): January 25, 2006

TAKE TWO INTERACTIVE SOFTWARE, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other
Jurisdiction of
Incorporation)

0-29230
(Commission
File Number)

51-0350842
(IRS Employer
Identification No.)

622 Broadway, New York, NY

10012

(Address of Principal Executive Offices)

(Zip Code)

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

Not Applicable

(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))

Item 2.02 Results of Operations and Financial Condition.

On January 25, 2006 Take-Two Interactive Software, Inc. (the "Company")
issued a news release reporting final earnings results of the Company for its
fourth quarter and fiscal year ended October 31, 2005. A copy of the news
release is attached to this Current Report as Exhibit 99.1.

The information in this Current Report on Form 8-K, including the
exhibit included herewith, is furnished pursuant to Item 2.02 and shall not be
deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act
of 1934, as amended, or otherwise subject to the liabilities of that section.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 99.1 Press Release dated January 25, 2006 relating to
Take-Two Interactive Software, Inc.'s financial
results for its fourth quarter and fiscal year ended

October 31, 2005.

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 thereunto duly authorized.

TAKE-TWO INTERACTIVE SOFTWARE, INC.
(Registrant)

By: /s/ Karl H.Winters

Name: Karl H. Winters
Title: Chief Financial Officer

Date: January 27, 2006

Exhibit No.	Description
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99.1	Press Release dated January 25, 2006 relating to Take-Two Interactive Software, Inc.'s financial results for its fourth quarter and fiscal year ended October 31, 2005.

Take-Two Interactive Software, Inc. Reports Fourth Quarter and Fiscal 2005
Financial Results

NEW YORK--(BUSINESS WIRE)--Jan. 25, 2006--Take-Two Interactive Software, Inc. (NASDAQ:TTWO) today released final results for its fourth quarter and fiscal year ended October 31, 2005, unchanged from its previously announced preliminary results.

Net revenues in the fourth quarter ended October 31, 2005 were \$308.2 million compared to \$438.0 million for the same period a year ago when results included the launch of Grand Theft Auto: San Andreas for the PlayStation(R)2 computer entertainment system. Fourth quarter 2005 net income was \$19.2 million with diluted net income per share of \$0.27 compared to net income of \$62.6 million and diluted net income per share of \$0.91 for the same period last year.

Net revenues for the fiscal year ended October 31, 2005 increased 6% to \$1.20 billion from \$1.13 billion for the prior year. Net income of \$37.5 million for fiscal 2005 compared to net income of \$65.4 million for the prior year with diluted earnings per share of \$0.53 compared to \$0.95 per diluted share last year.

The Company's diluted earnings per share for the periods above do not include the impact of adopting FASB 123(R), requiring the expensing of employee stock options beginning on November 1, 2005.

The Company expects to file its Form 10-K for the fiscal year ended October 31, 2005 by the close of business on February 1, 2006.

Separately, Take-Two announced that a fire had damaged the Manhattan based offices of 2K Games, Global Star and Joytech North America. The Company is thankful to report that no employees were injured. However, due to the significant damage sustained to these leased offices, the Company has temporarily relocated all of these employees, consisting primarily of marketing and administrative personnel, and to a limited extent, product testing personnel. While Take-Two is still determining the overall financial and operational impact of the fire, the Company does not expect any significant effect on its business.

About Take-Two Interactive Software

Headquartered in New York City, Take-Two Interactive Software, Inc. (NASDAQ: TTWO) is an integrated global developer, marketer, distributor and publisher of interactive entertainment software games and accessories for the PC, PlayStation(R) game console, PlayStation(R)2 computer entertainment system, PSP(TM) (PlayStation(R)Portable) system, the Xbox(R) video game and entertainment system from Microsoft, the Xbox 360(TM) video game and entertainment system from Microsoft, Nintendo GameCube(TM), Nintendo DS(TM) and Game Boy(R) Advance. The Company publishes and develops products through its wholly owned labels Rockstar Games, 2K Games, 2K Sports and Global Star Software; and distributes products in North America through its Jack of All Games subsidiary. Take-Two also manufactures and markets video game accessories in Europe, North America and the Asia Pacific region through its Joytech subsidiary. The Company maintains sales and marketing offices in Cincinnati, New York, Toronto, London, Paris, Munich, Madrid, Vienna, Milan, Sydney, Breda (Netherlands) 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.

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

Safe Harbor Statement under the Private Securities Reform Act of 1995: This press release contains forward-looking statements made in reliance upon the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. 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 Company has no obligation to update such forward-looking statements. Actual results may vary significantly from these forward-looking statements based on a variety of factors. These important factors are described in the Company's Form 10-Q for the quarter ended July 31, 2005 in the section entitled "Cautionary Statement and Risk Factors".

(In thousands, except per share data)

	Three months ended October 31,		Twelve months ended October 31,	
	2005	2004	2005	2004
	-----	-----	-----	-----
Net revenues	\$308,154	\$438,013	\$1,202,595	\$1,127,751
Cost of goods sold				
Product costs	139,863	189,578	593,377	619,685
Royalties	36,495	66,459	164,250	114,073
Software development costs	15,340	8,125	28,371	15,922
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Total cost of goods sold	191,698	264,162	785,998	749,680
	-----	-----	-----	-----
Gross profit	116,456	173,851	416,597	378,071
Operating expenses				
Selling and marketing	38,072	34,756	157,715	117,606
General and administrative	33,794	25,451	123,725	98,226
Research and development	16,222	11,073	73,160	43,259
Depreciation and amortization	6,437	4,864	22,016	16,846
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Total operating expenses	94,525	76,144	376,616	275,937
Income from operations	21,931	97,707	39,981	102,134
Interest income, net	750	372	3,715	1,976
Provision for settlement		(7,500)	-	(7,500)
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Total non-operating income (expenses)	750	(7,128)	3,715	(5,524)
Income before income taxes	22,681	90,579	43,696	96,610
Provision for income taxes	3,489	27,948	6,221	31,232
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Net income	<u>\$ 19,192</u>	<u>\$ 62,631</u>	<u>\$ 37,475</u>	<u>\$ 65,378</u>

Per share data:

Basic:

Weighted average common shares outstanding	<u>70,158</u>	<u>67,652</u>	<u>69,859</u>	<u>67,104</u>
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Net income per share - Basic	<u>\$ 0.27</u>	<u>\$ 0.93</u>	<u>\$ 0.54</u>	<u>\$ 0.97</u>

Diluted:

Weighted average common shares outstanding	<u>70,717</u>	<u>69,120</u>	<u>70,899</u>	<u>68,523</u>
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Net income per share - Diluted	<u>\$ 0.27</u>	<u>\$ 0.91</u>	<u>\$ 0.53</u>	<u>\$ 0.95</u>

All share and per share data reflect a three-for-two stock split distributed on April 11, 2005 to stockholders of record on March 28, 2005.

	Three months ended October 31,		Twelve months ended October 31,	
OTHER INFORMATION	2005	2004	2005	2004

Total revenue mix				
Publishing	73%	80%	71%	68%
Distribution	27%	20%	29%	32%
Geographic revenue mix				
North America	72%	67%	68%	72%
International	28%	33%	32%	28%
Publishing platform revenue mix				
Sony PlayStation 2	34%	85%	60%	69%
Microsoft Xbox	22%	9%	19%	23%
Sony PSP	20%	-	6%	-
PC	19%	3%	11%	3%
Nintendo Game Boy Advance	1%	2%	1%	2%
Nintendo GameCube	1%	-	1%	1%
Other Platforms and Accessories	3%	1%	2%	2%

TAKE-TWO INTERACTIVE SOFTWARE, INC. and SUBSIDIARIES
Consolidated Condensed Balance Sheets
As of October 31, 2005 and October 31, 2004
(In thousands, except share data)

ASSETS	October 31, 2005	October 31, 2004
Current assets		
Cash and cash equivalents	\$ 107,195	\$ 155,095
Accounts receivable, net of allowances of \$69,904 and \$72,215 at October 31, 2005 and October 31, 2004, respectively	198,068	285,709
Inventories	136,227	154,345
Software development costs	88,826	50,360
Licenses	7,651	4,240
Prepaid expenses and other current assets	64,332	60,018
Deferred tax assets	10,943	4,994
Total current assets	613,242	714,761
Fixed assets, net		
Software development costs, net of current portion	48,617	34,291
Licenses, net of current portion	19,602	13,962
Goodwill	2,330	1,425
Intangibles, net	179,893	135,477
Deferred tax assets	58,666	36,104
Other assets	5,506	7,546
	5,020	1,714
Total assets	\$ 932,876	\$ 945,280

LIABILITIES and STOCKHOLDERS' EQUITY

Current liabilities		
Accounts payable	\$ 133,353	\$ 163,961
Accrued expenses and other current liabilities	90,702	125,567
Income taxes payable	10,220	17,319
Total current liabilities	234,275	306,847
Other long-term liabilities	2,467	2,963
Total liabilities	236,742	309,810

Stockholders' equity
Common stock, par value \$.01 per share;
100,000,000 shares authorized; 70,667,421
and 68,159,477 shares issued and outstanding

at October 31, 2005 and October 31, 2004,
respectively

Additional paid-in capital	707	682
Deferred compensation	418,053	381,928
Retained earnings	(11,189)	(3,896)
Accumulated other comprehensive income	287,877	250,402
	686	6,354
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Total stockholders' equity	696,134	635,470
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Total liabilities and stockholders' equity	\$ 932,876	\$ 945,280
	=====	=====

All share and per share data reflect a three-for-two stock split distributed on April 11, 2005 to stockholders of record on March 28, 2005.

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