



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

(NASDAQ: TTWO)

First Quarter Fiscal 2021 Results

## CAUTIONARY NOTE: FORWARD-LOOKING STATEMENTS

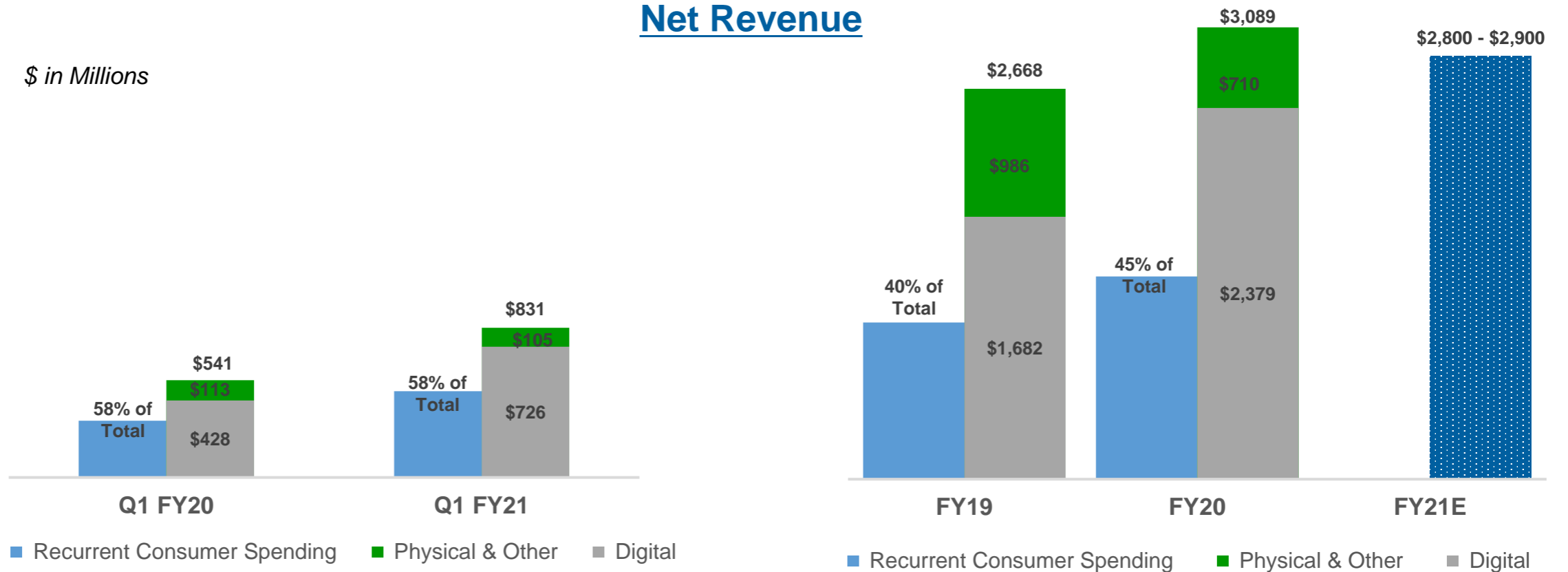
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The statements contained herein which are not historical facts are considered forward-looking statements under federal securities laws and may be identified by words such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "potential," "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](http://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.

# Net Revenue & Net Bookings

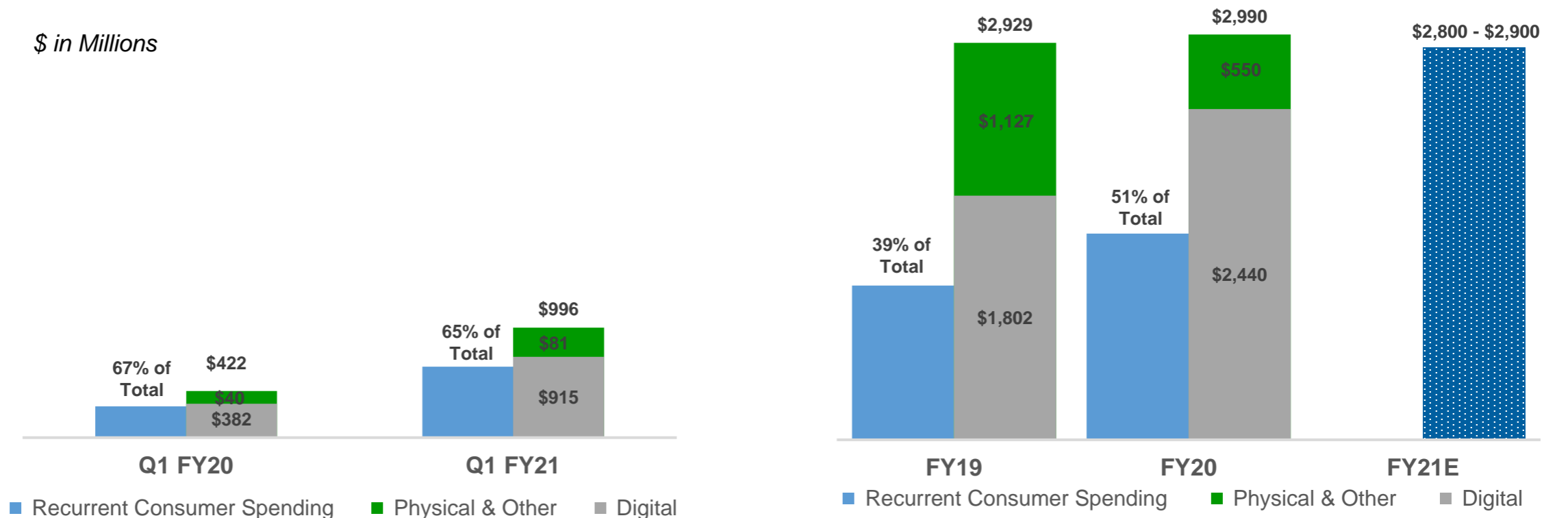
## Net Revenue

\$ in Millions



## Net Bookings (Operational Metric)

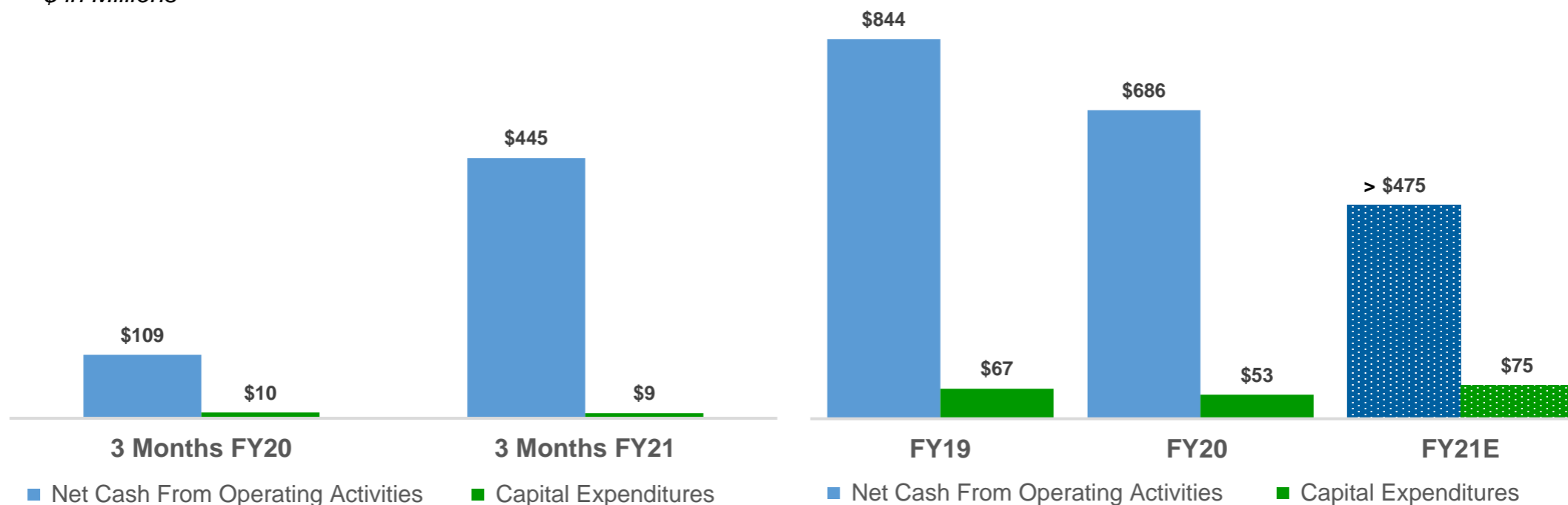
\$ in Millions



# Cash Flow

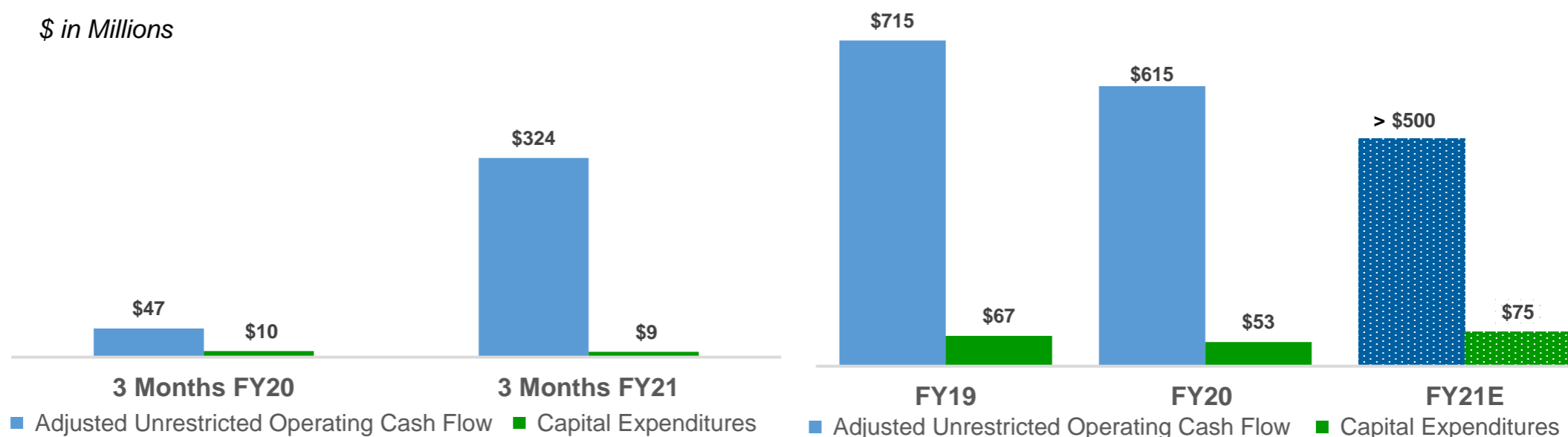
## Net Cash From Operating Activities <sup>(1)</sup>

\$ in Millions



## Adjusted Unrestricted Operating Cash Flow (Non-GAAP) <sup>(2)</sup>

\$ in Millions



- (1) During Q1 FY19, the Company adopted Accounting Standards Update 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash* and applied that standard retroactively. The application of this new standard resulted in a decrease to net cash from operating activities of \$128.1 million in FY19, as reflected in the charts above.
- (2) The Company is reporting a Non-GAAP measure of financial performance: Adjusted Unrestricted Operating Cash Flow, which is defined as GAAP net cash from operating activities, adjusted for changes in restricted cash.

## Non-GAAP Financial Measure

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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 Unrestricted 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 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.

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.

# RECONCILIATION OF GAAP TO NON-GAAP MEASURE

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

	<b>Three months ended June 30,</b>	
	<b>2020</b>	<b>2019</b>
<b>Net cash from operating activities</b>	<b>\$ 445,423</b>	<b>\$ 108,535</b>
Net change in Restricted cash <sup>(1)</sup>	<b>(121,420)</b>	<b>(61,909)</b>
<b>Adjusted Unrestricted Operating Cash Flow</b>	<b>\$ 324,003</b>	<b>\$ 46,626</b>
	<b>FY 2021</b>	<b>FY 2020</b>
Restricted cash beginning of period (4/1)	<b>\$ 635,728</b>	<b>\$ 565,461</b>
Restricted cash end of period (6/30)	<b>757,148</b>	<b>627,370</b>
<sup>(1)</sup> Net change in Restricted cash	<b>\$ (121,420)</b>	<b>(\$ 61,909)</b>



**T2**