

GameStop®

POWER TO THE PLAYERS®

Q3 2016 Earnings

November 22, 2016

GameStop
POWER TO THE PLAYERS

ES GAMES

KONGREGATE

gameinformer

MICROMANIA

simply mac

springmobile

THINKGEEK

Safe Harbor

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may include, but are not limited to, the outlook for the fourth quarter and fiscal 2016, future financial and operating results and projections, projected store openings, timing and terms of potential acquisitions, the company's plans, objectives, expectations and intentions, and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of GameStop's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. GameStop undertakes no obligation to publicly update or revise any forward-looking statements. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: the inability to obtain sufficient quantities of product to meet consumer demand, including console hardware and accessories; the timing of release and consumer demand for new and pre-owned video game titles; our ability to continue to expand, and successfully open and operate new stores for, our collectibles and tech brands businesses; risks associated with achievement of anticipated financial and operating results from acquisitions; our ability to sustain and grow our console digital video game sales; the timing and amount of recognition of tax attributes; the risks associated with international operations, wireless industry partnerships and operations and the completion and integration of acquisitions; increased competition and changing technology in the video game industry, including browser and mobile games and digital distribution of console games, and the impact of that competition and those changes on physical video game sales; and economic, regulatory and other events, including litigation, that could reduce or impact consumer demand or affect the company's business. Additional factors that could cause GameStop's results to differ materially from those described in the forward-looking statements can be found in GameStop's Annual Report on Form 10-K, as amended, for the fiscal year ended Jan. 30, 2016 filed with the SEC and available at the SEC's Internet site at <http://www.sec.gov> or <http://investor.GameStop.com>.

GME is a Global Specialty Retailer

We're a global family of specialty retail brands that makes the most popular technologies affordable and simple

GME | CHANGING THE GAME

VIDEO GAMES

No. 1 Market Share in 13 Countries

\$13 Billion Addressable US Market



GameStop
POWERUP
REWARDS

46 Million Members Worldwide

gameinformer

2016: \$8B

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DIGITAL/MOBILE GAMING

\$1 Billion Digital Business

\$8 Billion Addressable US Market



Downloadable Content



KONGREGATE
Top 10 Mobile Publisher

2016: >\$1B

GME | CHANGING THE GAME

TECHNOLOGY BRANDS

\$200+ Billion Addressable US Market



- The Largest And Fastest Growing AT&T Wireless Retailer
- AT&T National Dealer

simply mac
Apple Specialist

- Largest Apple Authorized Reseller

2016: ≈\$.85B

GME | CHANGING THE GAME

COLLECTIBLES

\$11 Billion Addressable US Market



THINKGEEK
JOIN IN. GEEK OUT.™



2016: ≈\$.5B

Q3 2016 Consolidated Performance Summary



	Q3 2016	Q3 2015
Total Sales	\$1,959.2M -2.8%	\$2,016.3M
Total Sales (Non-GAAP)	\$2,173.4M -1.4%	\$2,204.9M
Comp SSS*	-6.5%	-1.1%
Gross Margin	\$708.2M 36.1%	\$655.6M 32.5%
Net Income (GAAP)	\$50.8M -9.1%	\$55.9M
Net Income (Non-GAAP)	\$50.8M -10.9%	\$57.0M
EPS (GAAP)	\$0.49 -7.5%	\$0.53
EPS (Non-GAAP)	\$0.49	\$0.54

*Excludes Technology Brands stores

Q3 2016 Sales Category Highlights

	Q3 2016	Q3 2015
New hardware	\$284.4M -20.6%	\$358.1M
New software	\$616.6M -8.6%	\$674.5M
Pre-owned/Value	\$470.0M -6.4%	\$502.2M
Accessories	\$156.0M +13.0%	\$138.0M
Digital	\$44.7M +11.8%	\$40.0M
Non-GAAP Digital	\$258.9M +13.2%	\$228.6M
Technology Brands	\$216.3M +54.4%	\$140.1M
Collectibles	\$109.4M +37.3%	\$79.7M
Other	\$61.8M -26.2%	\$83.7M
Total Sales	\$1,959.2M -2.8%	\$2,016.3M

Q3 2016 Gross Profit by Category

	Q3 2016	Q3 2015
New hardware	\$37.3M 13.1%	\$38.6M 10.8%
New software	\$150.0M 24.3%	\$165.8M 24.6%
Pre-owned/Value	\$218.0M 46.4%	\$231.2M 46.0%
Accessories	\$49.6M 31.8%	\$50.4M 36.5%
Digital	\$35.0M 78.3%	\$31.5M 78.8%
Technology Brands	\$159.6M 73.8%	\$85.8M 61.2%
Collectibles	\$39.7M 36.3%	\$30.1M 37.8%
Other	\$19.0M 30.7%	\$22.2M 26.5%
Total Gross Profit Gross Margin	\$708.2M 36.1%	\$655.6M 32.5%

Technology Brands Operating Earnings Growth

On track to deliver between \$85 to \$100 million of operating earnings in 2016



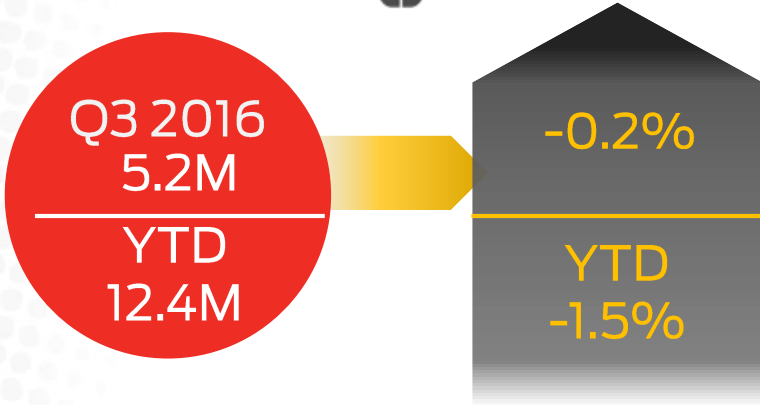
Store count:

834

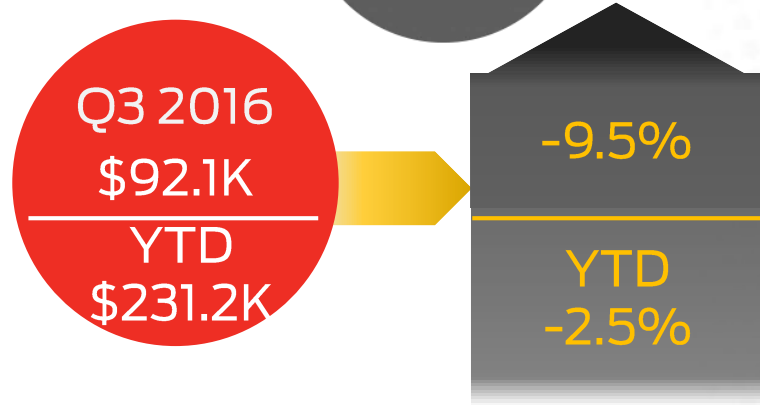
1,569

Technology Brands Store Metrics

TRAFFIC

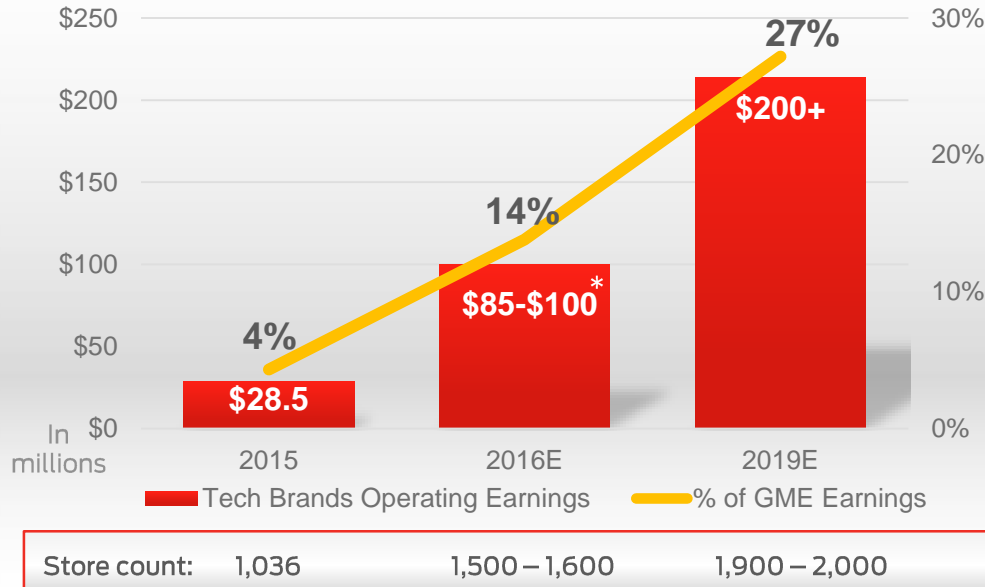


GROSS PROFIT COMP



2019E Tech Brands Operating Earnings Roadmap

How will GME reach 2019 Tech Brands Operating Earnings of \$200M?



Maturation of stores



Acquisition of mature stores



Elimination of acquisition costs



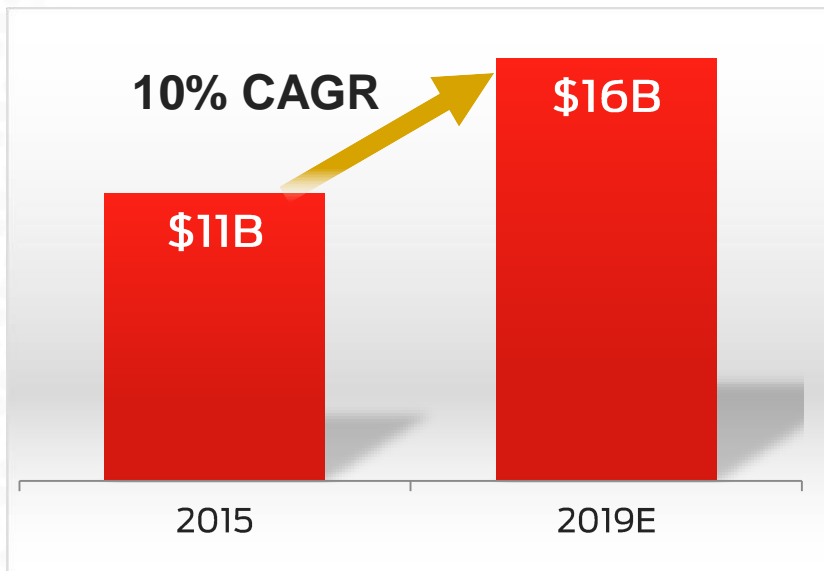
New product offerings

DIRECTV
Digital Life
Connected Car

*Includes the targeted AT&T acquisitions

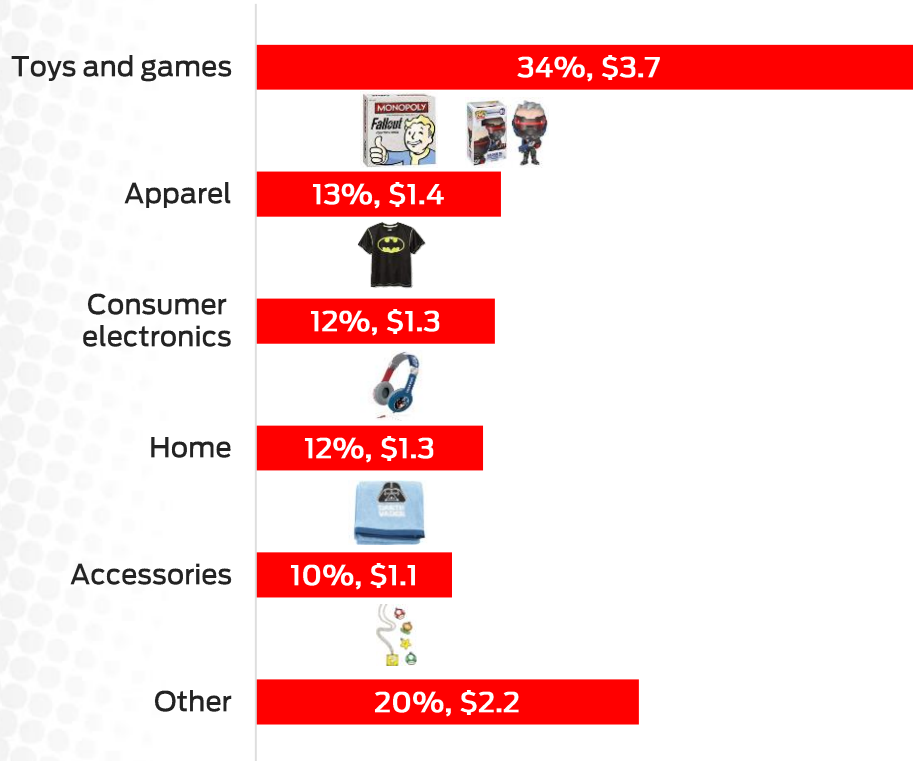
Collectibles: a Large and Growing Category

Narrowly defined, Collectibles is an \$11 Billion industry in the U.S., nearly as large as the physical video games category



45% of PUR members buy collectibles and spend an average of \$360 a year

Top Collectible Product Types



The top 15 properties represent 58% of category sales and have been in the market for an average of 37 years







Focused Marketing Calendar

	4Q16	1Q17	2Q17	2H17
ANNUAL EVENTS	 Black Friday 	 	  	  
KEY IP 2016 & 2017	   	   	    	   

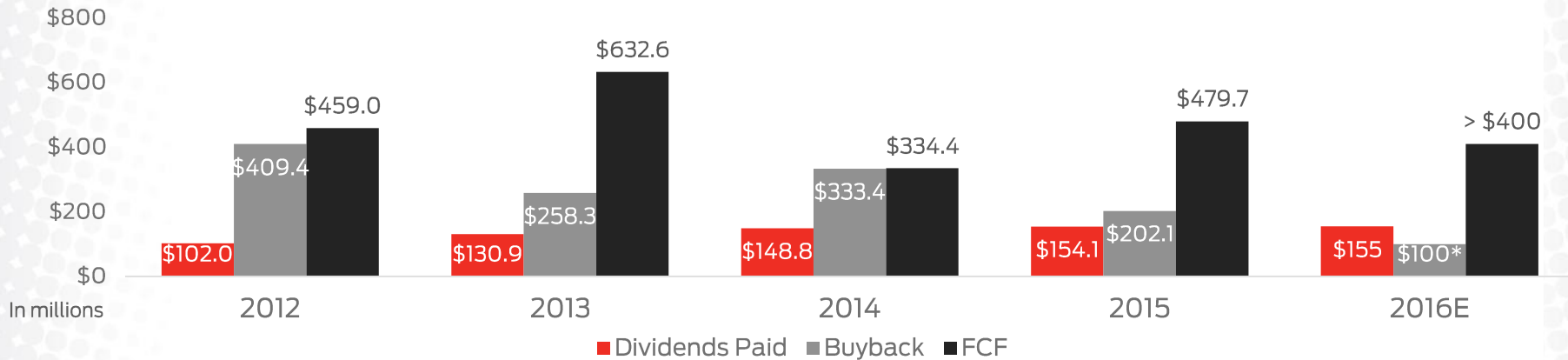
Collectibles: Forward Looking

Movie industry fully committed to the film franchise model – connected universes, sequels & spinoffs

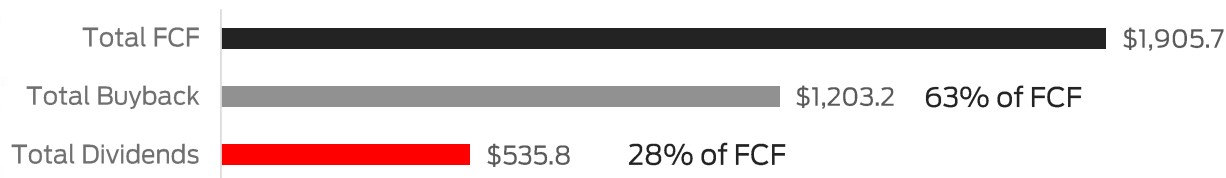
	Box Office \$ in Billions*	# of Films to Date	Plans thru 2020
	\$9.3	14	3+ films per year
	\$7.7	8	launch <i>Fantastic Beast</i> & full trilogy
	\$6.7	8	5 films
	\$1.5	5	10 films numerous shows this year

Strong line-ups behind major franchises

Uses of Capital



Cumulative Use of Cash from 2012 - 2015



*Represents the mid-point of our FY16 buyback guidance of \$75 - \$125 million

Q4 and FY 2016 Guidance

	Q4 2016	FY 2016
Total Sales	-10.0% to -5.0%	-6.0% to -4.0%
Same Store Sales	-12.0% to -7.0%	-9.5% to -6.5%
Income Tax Rate	35.5% to 36.5%	35.5% to 36.5%
Shares Outstanding	103,000,000	104,000,000
EPS	\$2.23 to \$2.38	\$3.65 to \$3.80

Key Takeaways

We added a new \$1 Billion run rate business ***OUTSIDE*** our GameStop branded stores: **TECHNOLOGY BRANDS**

We added TWO \$1 BILLION CATEGORIES ***INSIDE*** our GameStop stores

- **Digital:** We have built a sustainable \$1 Billion business
- **Collectibles:** We are on our way to a \$1 Billion business

PHYSICAL VIDEO GAMING

is a solid business, and one with a long tail

GME

is a diversified and growing company