

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) March 18, 2008

GAMESTOP CORP.

(Exact name of registrant as specified in its charter)

Delaware	1-32637	20-2733559
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
625 Westport Parkway, Grapevine, TX		76051
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code (817) 424-2000

(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:

- 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.

The following information is furnished pursuant to Item 2.02, "Results of Operations and Financial Condition," and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section.

On March 18, 2008, GameStop Corp. issued a press release announcing its financial results for the fourth quarter and fiscal year ended February 2, 2008. A copy of the press release is attached hereto as Exhibit 99.1.

The information contained in this Current Report, including the exhibit, shall not be incorporated by reference into any filing of GameStop Corp., whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

99.1 Press Release issued by GameStop Corp., dated March 18, 2008.

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.

GAMESTOP CORP.

(Registrant)

Date: March 18, 2008

/s/ David W. Carlson

Name: David W. Carlson

Title: Executive Vice President and
Chief Financial Officer

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GAMESTOP CORP.

EXHIBIT INDEX

Exhibit Number

Description

Exhibit 99.1

Press Release of GameStop Corp., dated March 18, 2008

GameStop Reports Record 2007 Sales and Earnings
2007 Sales and Net Earnings Grow 33% and 82%, respectively
Comparable Store Sales Increase 17.4% for Q4 and 24.7% for the Year
575 to 600 New Stores to be Opened Worldwide in 2008
Strong Growth Planned for 2008 and Long Range Earnings Target Reiterated

GRAPEVINE, Texas--(BUSINESS WIRE)--GameStop Corp. (NYSE: GME), the world's largest video game and entertainment software retailer, today reported sales and earnings for the fourth quarter and the fiscal year ended February 2, 2008. The company also issued guidance for fiscal 2008 and an outlook for the year to follow.

GameStop has become the world's fastest growing retailer in the Fortune 500 by several metrics: sales of \$7.1 billion for fiscal 2007, an increase of 33% over fiscal 2006; a 24.7% increase in comparable store sales; the opening of 586 new stores; and a 50% increase in operating earnings. Moreover, growth prospects remain favorable for continued rapid expansion in markets in various stages of development throughout the world.

The company continues to develop and identify additional growth opportunities in the more developed video game markets of the US, Canada and Australia, as well as building new stores in virtually all of the more immature markets across Europe. In 2007, GameStop opened 586 new stores worldwide. Operating cash flow funded all of the new openings and also provided a year end cash balance of \$857 million.

Fourth Quarter Financial Results

Net earnings were \$189.8 million for the 13-week fourth quarter of 2007, as compared to net earnings of \$129.8 million for the 14-week fourth quarter of 2006, an increase of 46.2%. Diluted earnings per share were \$1.14, compared to \$0.81 per diluted share in the prior year quarter.

GameStop sales increased 24.4% to \$2,865.6 million in the fourth quarter, in comparison to \$2,304.0 million in the prior year quarter. On a comparable store basis, sales increased 17.4% during the fourth quarter. New video game software sales grew 38.4%. The top five selling games during the quarter were Activision's *CALL OF DUTY 4: MODERN WARFARE*, *ROCK BAND* from Electronic Arts, *ASSASSIN'S CREED* by Ubisoft, Nintendo's *SUPER MARIO GALAXY*, and Activision's *GUITAR HERO III*.

Full Year Financial Results

Net earnings were \$288.3 million for the 52-week fiscal year 2007, including debt retirement costs of \$12.6 million (\$7.9 million, net of tax benefits), as compared to earnings of \$158.3 million for the 53-week fiscal year 2006, an increase of 82.1%. Diluted earnings per share were \$1.75 for fiscal 2007, including debt retirement costs of \$0.05 per diluted share, as compared to \$1.00 per diluted share in fiscal 2006.

R. Richard Fontaine, Chairman and Chief Executive Officer, indicated, "Our performance in 2007 was impressive from many perspectives. But what is particularly noteworthy is that 2007 was a transformative year with hardware sales setting records and the installed base of users reaching an all-time high. Likewise, the expanding demographic profile of the video game player has moved this business into the mainstream of entertainment. This will be compounded by a strong 2008 video game title lineup and the value aspect of GameStop's used model that appeals to a broad base of budget conscious consumers.

"Prospects for the 575-600 new store openings in 2008 look very promising even with the current concerns about the US economy. As one of the few American retailers actively seeking many new sites, GameStop is positioned to secure better locations with more advantageous lease terms and is more frequently being viewed as a critical brand to anchor strip centers," concluded Fontaine.

Business Outlook

For fiscal 2008 (the 52-week year ending January 31, 2009), sales are projected to grow between 19.0% and 21.0%, with comparable store sales ranging from +10.0% to +12.0%, driven by a strong lineup of video game title releases across all platforms. Diluted earnings per share for the full year are expected to range from \$2.25 to \$2.34, an increase of between 25% and 30% over fiscal 2007. GameStop expects to open between 575 and 600 stores worldwide in fiscal 2008.

For the first quarter of fiscal 2008, the company expects comparable store sales to range from +24.0% to +25.0%, led by continued demand for all console and handheld systems as well as a strong slate of new video game releases, such as Nintendo's *SUPER SMASH BROS. BRAWL* for the Wii, Capcom's *DEVIL MAY CRY 4* and *GRAND THEFT AUTO IV* from Take Two Interactive. Diluted earnings per share are expected to range from \$0.32 to \$0.33. This compares to earnings per share of \$0.15 in the first quarter of 2007.

Looking beyond 2008, GameStop currently expects earnings per share to grow at least 25% in fiscal 2009 (the year ending January 2010) based on several key factors, including: the company's growing worldwide retail footprint, the company's ongoing cash generation, the continued expansion of the video game industry, and the broadening consumer base.

Note that guidance does not include debt retirement costs.

Conference Call and Webcast Information

A conference call with GameStop Corp.'s management is scheduled for March 18, 2008 at 11:00 AM ET to discuss the fourth quarter and full year 2007 sales and earnings results. The conference call will be simulcast on the Internet at (<http://www.gamestop.com/investor-relations/>). The conference call will be archived on the website until April 9, 2008.

About GameStop Corp.

Headquartered in Grapevine, TX, GameStop Corp. is the world's largest video game and entertainment software retailer. The company operates 5,264 retail stores in 16 countries worldwide. The company also operates two e-commerce sites, GameStop.com and EBgames.com, and publishes Game Informer(R) magazine, a leading multi-platform video game publication. GameStop Corp. sells new and used video game software, hardware and accessories for video game systems from Sony, Nintendo, and Microsoft. In addition, the company sells PC entertainment software, related accessories and other merchandise. General information on GameStop Corp. can be obtained at the company's corporate website: <http://www.gamestopcorp.com>.

Safe Harbor

This press release 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 fiscal 2008 and beyond, future financial and operating results, projected store openings, 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. 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 Nintendo's Wii; the timing of release of video game titles for next generation consoles; the risks associated with expanded international operations; and economic and other events that could reduce or impact consumer demand. 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 for the fiscal year ended February 3, 2007 filed with the SEC and available at the SEC's Internet site at <http://www.sec.gov>.

GameStop Corp.
Statements of Operations
(in thousands, except per share data)

	13 weeks ended Feb. 2, 2008	14 weeks ended Feb. 3, 2007
Sales	\$ 2,865,585	\$ 2,303,966
Cost of sales	2,181,510	1,749,478
Gross profit	684,075	554,488
Selling, general and administrative expenses	350,912	294,025
Depreciation and amortization	33,412	30,321
Stock-based compensation	6,600	5,272
Operating earnings	293,151	224,870
Interest expense, net	8,390	14,138
Debt extinguishment expense	--	2,497
Earnings before income tax expense	284,761	208,235
Income tax expense	94,960	78,432
Net earnings	\$ 189,801	\$ 129,803
Earnings per common share:		
Basic	\$ 1.18	\$ 0.85
Diluted	\$ 1.14	\$ 0.81
Weighted average common shares outstanding:		
Basic	160,980	151,832
Diluted	166,992	159,832
 <u>Percentage of Sales:</u>		
Sales	100.0%	100.0%
Cost of sales	76.1%	75.9%
Gross profit	23.9%	24.1%
SG&A expenses	12.3%	12.8%
Depreciation and amortization	1.2%	1.3%
Stock-based compensation	0.2%	0.2%
Operating earnings	10.2%	9.8%
Interest expense, net	0.3%	0.7%
Debt extinguishment expense	--	0.1%
Earnings before income tax expense	9.9%	9.0%
Income tax expense	3.3%	3.4%
Net earnings	6.6%	5.6%

GameStop Corp.
Statements of Operations
(in thousands, except per share data)

	52 weeks ended Feb. 2, 2008	53 weeks ended Feb. 3, 2007
Sales	\$ 7,093,962	\$ 5,318,900
Cost of sales	5,280,255	3,847,458
Gross profit	1,813,707	1,471,442
Selling, general and administrative expenses	1,155,105	1,000,135
Depreciation and amortization	130,270	109,862
Stock-based compensation	26,911	20,978
Merger-related expenses	--	6,788
Operating earnings	501,421	333,679
Interest expense, net	47,774	73,324
Debt extinguishment expense	12,591	6,059
Earnings before income tax expense	441,056	254,296
Income tax expense	152,765	96,046
Net earnings	\$ 288,291	\$ 158,250
Earnings per common share:		
Basic	\$ 1.82	\$ 1.06
Diluted	\$ 1.75	\$ 1.00
Weighted average common shares outstanding:		
Basic	158,226	149,924
Diluted	164,844	158,284
 <u>Percentage of Sales:</u>		
Sales	100.0%	100.0%
Cost of sales	74.4%	72.3%
Gross profit	25.6%	27.7%
SG&A expenses	16.3%	18.8%
Depreciation and amortization	1.8%	2.1%
Stock-based compensation	0.4%	0.4%
Merger-related expenses	--	0.1%
Operating earnings	7.1%	6.3%
Interest expense, net	0.7%	1.4%
Debt extinguishment expense	0.2%	0.1%
Earnings before income tax expense	6.2%	4.8%
Income tax expense	2.1%	1.8%
Net earnings	4.1%	3.0%

GameStop Corp.
Balance Sheets
(in thousands, except per share data)

	<u>Feb. 2,</u> 2008	<u>Feb. 3,</u> 2007
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 857,414	\$ 652,403
Receivables, net	56,019	34,268
Merchandise inventories	801,025	675,385
Prepaid expenses and other current assets	52,778	37,882
Prepaid taxes	--	5,545
Deferred taxes	27,481	34,858
Total current assets	<u>1,794,717</u>	<u>1,440,341</u>
Property and equipment:		
Land	11,870	10,712
Buildings & leasehold improvements	378,611	305,806
Fixtures and equipment	538,738	425,841
	<u>929,219</u>	<u>742,359</u>
Less accumulated depreciation and amortization	417,550	285,896
Net property and equipment	<u>511,669</u>	<u>456,463</u>
Goodwill, net	1,402,440	1,403,907
Other noncurrent assets	67,065	48,873
Total assets	<u>\$ 3,775,891</u>	<u>\$ 3,349,584</u>
 LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable	\$ 844,376	\$ 717,868
Accrued liabilities	409,878	357,016
Note payable, current portion	--	12,173
Taxes payable	6,303	--
Total current liabilities	<u>1,260,557</u>	<u>1,087,057</u>
Other long-term liabilities	78,415	43,338
Senior fixed and floating rate notes payable, net of discount	574,473	843,311
Total liabilities	<u>1,913,445</u>	<u>1,973,706</u>
Stockholders' equity:		
Preferred stock - authorized 5,000 shares; no shares issued or outstanding	--	--
Class A common stock - \$.001 par value; authorized 300,000 shares; 161,007 and 152,305 shares issued and outstanding, respectively	161	152
Additional paid-in-capital	1,208,474	1,021,903
Accumulated other comprehensive income	31,603	3,227
Retained earnings	622,208	350,596
Total stockholders' equity	<u>1,862,446</u>	<u>1,375,878</u>
Total liabilities and stockholders' equity	<u>\$ 3,775,891</u>	<u>\$ 3,349,584</u>

**Schedule I
GameStop Corp.
Sales Mix**

	<u>13 Weeks Ended Feb. 2, 2008</u>		<u>14 Weeks Ended Feb. 3, 2007</u>	
	<u>Sales</u>	<u>Percent of Total</u>	<u>Sales</u>	<u>Percent of Total</u>
Sales (in millions):				
New video game hardware	\$ 719.8	25.1%	\$ 604.9	26.3%
New video game software	1,209.0	42.2%	873.7	37.9%
Used video game products	546.7	19.1%	436.5	18.9%
Other	390.1	13.6%	388.9	16.9%
Total	\$ 2,865.6	100.0%	\$ 2,304.0	100.0%

	<u>52 Weeks Ended Feb. 2, 2008</u>		<u>53 Weeks Ended Feb. 3, 2007</u>	
	<u>Sales</u>	<u>Percent of Total</u>	<u>Sales</u>	<u>Percent of Total</u>
Sales (in millions):				
New video game hardware	\$ 1,668.9	23.5%	\$ 1,073.7	20.2%
New video game software	2,800.7	39.5%	2,012.5	37.8%
Used video game products	1,586.7	22.4%	1,316.0	24.8%
Other	1,037.7	14.6%	916.7	17.2%
Total	\$ 7,094.0	100.0%	\$ 5,318.9	100.0%

**Schedule II
GameStop Corp.
Gross Profit Mix**

	<u>13 Weeks Ended Feb. 2, 2008</u>		<u>14 Weeks Ended Feb. 3, 2007</u>	
	<u>Gross Profit</u>	<u>Gross Profit Percent</u>	<u>Gross Profit</u>	<u>Gross Profit Percent</u>
Gross Profit (in millions):				
New video game hardware	\$ 37.6	5.2%	\$ 33.5	5.5%
New video game software	257.6	21.3%	178.7	20.5%
Used video game products	262.2	48.0%	213.0	48.8%
Other	126.7	32.5%	129.3	33.2%
Total	\$ 684.1	23.9%	\$ 554.5	24.1%

	<u>52 Weeks Ended Feb. 2, 2008</u>		<u>53 Weeks Ended Feb. 3, 2007</u>	
	<u>Gross Profit</u>	<u>Gross Profit Percent</u>	<u>Gross Profit</u>	<u>Gross Profit Percent</u>
Gross Profit (in millions):				
New video game hardware	\$ 108.2	6.5%	\$ 77.0	7.2%
New video game software	581.7	20.8%	427.3	21.2%
Used video game products	772.2	48.7%	651.9	49.5%
Other	351.6	33.9%	315.2	34.4%
Total	\$ 1,813.7	25.6%	\$ 1,471.4	27.7%

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