

# GameStop®

POWER TO THE PLAYERS®

## Q2 2015 Earnings

August 27, 2015

**GameStop**  
POWER TO THE PLAYERS®

**EBGAMES**

**KONGREGATE**

 **gameinformer**

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# Safe Harbor

This supplemental 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 third quarter and fiscal 2015, 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. 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; the risks associated with international operations, wireless industry partnerships and operations and the integration of acquisitions; the impact of increased competition and changing technology in the video game industry, including browser and mobile games and alternative methods of distribution; 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 for the fiscal year ended Jan. 31, 2015 filed with the SEC and available at the SEC's Internet site at <http://www.sec.gov> or <http://investor.GameStop.com>.

# Q2 2015 Overview

## Consolidated Performance Summary

	Q2 2015	Q2 2014
Total Sales	\$1,761.9M +1.8%	\$1,731.4M
Same Store Sales	+8.1%	+21.9%
Gross Margin	\$580.5M 32.9%	\$550.9M 31.8%
Operating Earnings*	\$60.8M +65.7%	\$36.7
Net Income*	\$33.1M +34.6%	\$24.6M
EPS*	\$0.31 +40.9%	\$0.22

\* Non-GAAP Operating earnings, net income and EPS exclude the effects of acquisition costs

# Q2 2015 Sales Category Highlights

	Q2 2015	Q2 2014
Hardware	\$324.9M -2.2%; +3.7%*	\$332.3M
Software	\$467.2M -6.0%; +0.7%*	\$497.0M
Pre-owned/Value	\$560.8M +0.5%; +5.1%*	\$558.0M
Accessories	\$125.8M +17.0%; +23.6%*	\$107.5M
Digital	\$41.6M -20.5%; -15.1%*	\$52.3M
Mobile & Consumer Electronics	\$142.2M +26.9%; +27.8%*	\$112.1M
Other	\$99.4M +37.7%; +48.5%*	\$72.2M
Total Sales Growth	\$1,761.9M +1.8%; +7.4%*	\$1,731.4M

\*Excludes the impact of currency

# Q2 2015 Gross Profit Category Highlights

	Q2 2015	Q2 2014
Hardware	\$33.4M 10.3%	\$31.6M 9.5%
Software	\$110.8M 23.7%	\$115.7M 23.3%
Pre-owned/Value	\$257.8M 46.0%	\$262.1M 47.0%
Accessories	\$45.7M 36.3%	\$41.9M 39.0%
Digital	\$32.8M 78.8%	\$34.0M 65.0%
Mobile & Consumer Electronics	\$64.5M 45.4%	\$40.5M 36.1%
Other	\$35.5M 35.7%	\$25.1M 34.8%
Total Gross Profit Gross Margin	\$580.5M 32.9%	\$550.9M 31.8%

# 2015 Guidance

	Q3 2015	FY 2015
Total Revenue	Flat to 4.0%	Flat to 5.0%
Same Store Sales	1.0% to 4.0%	2.0% to 7.0%
Operating Margin		6.5% to 7.0%
Shares Outstanding	106,700,000	107,000,000
EPS	\$0.53 to \$0.60	\$3.66 to \$3.86
Free cash flow*		\$400M to \$500M

# Technology Brands

## Performance Summary

	Q2 2015	Q2 2014	Growth
Sales	\$113.8M	\$70.1M	62.3%
Store Count	731	319	129.2%

During the second half of 2015, operating income is projected to grow double digits compared to the second half of 2014.

# Geeknet Acquisition

- Completed the acquisition of Geeknet for \$20 per share in cash on July 17, 2015
- The total cost of the transaction was approximately \$140 million, or \$126 million net of cash
- Geeknet's ThinkGeek brand is the #1 brand in the fast growing collectibles category
- Expands GameStop's diversified revenue stream into a new and growing category and provides a new opportunity within the brick and mortar stores around the world

**Collectibles is a fast growing, video game & pop culture retail category that we project can grow to over \$500 million in sales over the next three years**



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Thank you

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