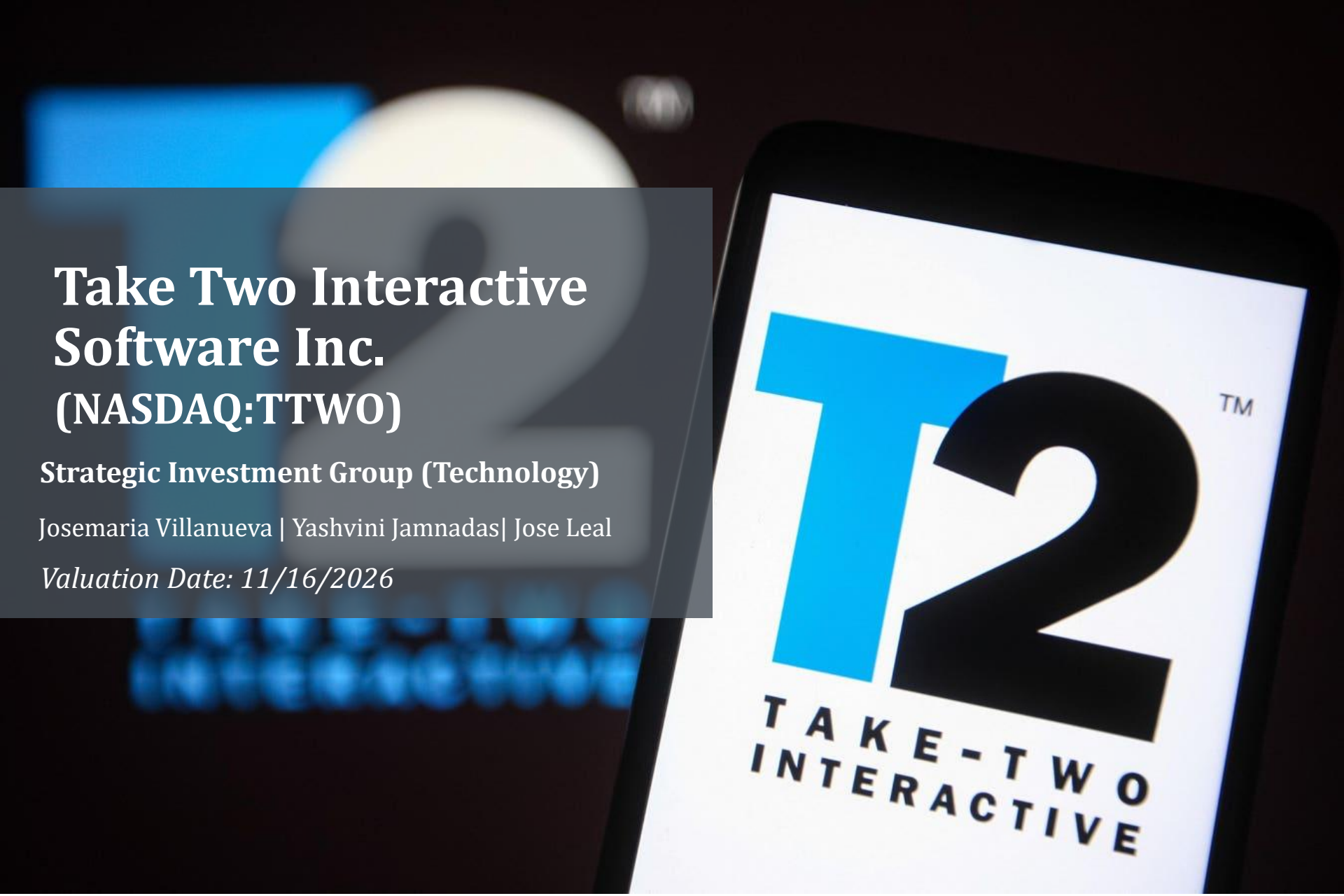
Take Two Interactive Software Inc. (NASDAQ:TTWO)

Strategic Investment Group (Technology)

Josemaria Villanueva | Yashvini Jamnadas| Jose Leal

Valuation Date: 11/16/2026



Executive Summary

GTA VI's launch and future PC and online revenue could offer significant upside, though delays, high expectations and weaker mobile spending remain key risks.

Investment Thesis

1. **The market only prices the launch.** FY27 guidance excludes GTA VI Online and PC. Wedbush, the one FY29 Online estimate we found, has $1.4B; we have $2.56B as players stay.
2. **The price ignores earnings and cash.** EBITDA margin goes from 18% to 25.0% and FY27–31E FCF totals $9.15B. We model 11.6% annual GAAP revenue growth over FY26–31E and 233M GTA VI copies by FY31E.

Investment Considerations

1. **Launch expectations are extremely high.** Guidance implies ~34M GTA VI units versus 45M to 50M on the buy side. Beating guidance can still disappoint. Preorders are strong, but guidance wasn't raised.
2. **A real slip would break the case.** Reports say GTA VI isn't "gold" yet, and Rockstar has delayed it twice. A third delay or a flawed launch would turn today's fears into fundamentals.

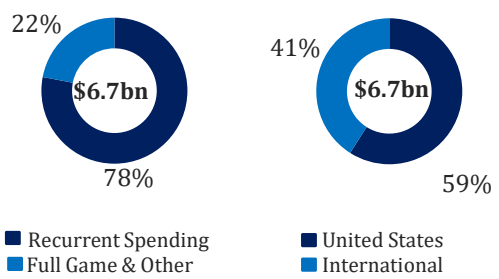
Company Overview

Take-Two Interactive (NASDAQ: TTWO) develops and publishes video games through three labels: Rockstar Games (Grand Theft Auto, Red Dead Redemption), 2K (NBA 2K, Borderlands), and Zynga (Toon Blast, Match Factory). It sells games on console, PC, and mobile, with 59% of revenue from the US, and earns most of it after the initial purchase through in-game spending, subscriptions, and ads.

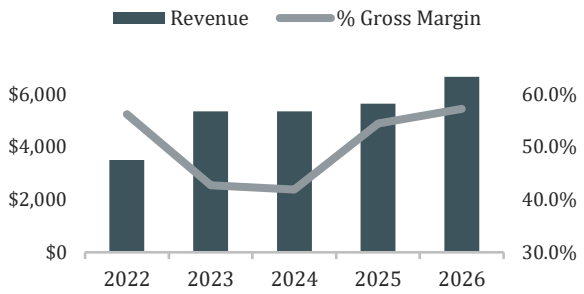
Key Facts

GICS Sector: Communication
Market Cap: $42.9 b
LTM EV/EBITDA: 35.8x
EBITDA Margin: 18%
LTM P/E: 34x
Shares Outstanding: 186.9 mm
52-Week Range: 187.63 – 265.94
Floating Average: 185.4 mm

Revenue Breakdown, FY 2025



Financial Performance



Recommendation - LONG

Current Price: $213.47

Bull Case	Base Case	Bear Case
Target: $458	**Target:** $332	**Target:** $143
Upside: 114.4%	**Upside:** 55.5%	**Upside:** (33.0%)
MOIC: 2.14x	**MOIC:** 1.55x	**MOIC:** 0.67x

Sources: Take-Two FY2026 Form 10-K; Newzoo 2026 Global Games Market Report.

Industry Overview

Major publishers use similar game formats. Long term value comes from franchises with sustained player engagement.

Five Game Formats and the Revenue Models











more upfront → *more recurring*

AAA open-world

- Built over 5–7 years at very high cost
- $70–$80 launches, then a decade of catalog sales
- Few releases, high stakes per title

Take-Two Rockstar Games

Peers Microsoft, SONY, Ubisoft

Annual sports

- A new edition every year on league licenses
- Spending on player cards and team modes
- Licenses act as a barrier to entry

Take-Two 2K Games

Peers EA Sports, KONAMI

Live service

- Online worlds updated for years
- Virtual currency, passes and subscriptions
- A small share of players drives most spend

Take-Two Grand Theft Auto Online

Peers Epic Games, Microsoft, EA

Mobile casual

- Free to play; in-app purchases and ads
- Heavy spend to acquire users
- Hits fade quickly

Take-Two zynga

Peers Playtika, SCOPELY

Creator platforms

- Players build and sell their own content
- Platform takes a cut of every sale
- Keeps players engaged between releases

Take-Two

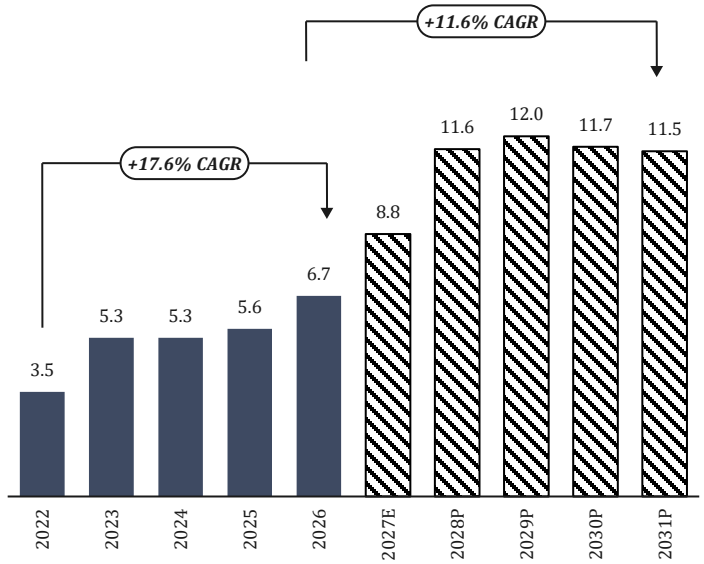
Peers Microsoft, Roblox, Epic Games

Sources: Take-Two FY2026 Form 10-K; Newzoo 2026 Global Games Market Report.

Industry Overview

Take-Two combines major game launches with recurring spending across its franchises.

Take-Two Net Revenue ($bn)



Game Launch & Day-One Sales

1. Sold to players at full price ($70-$80)

Online Access Attached at Launch

2. Captures player into the online world

3. The profit engine

Years of In-Game Spending, Subscriptions & Updates

Re-release / New Platform (PC, next-gen)

4. Player re-enters the same revenue cycle

All-time best-selling games

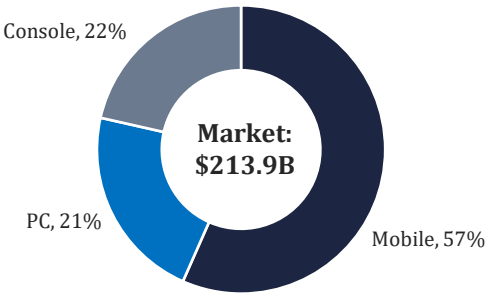
#1 Minecraft | **#2 GTA V** | #3 Tetris | #4 Wii Sports | **#5 RDR2**

Where players spend

#1 Mobile 57% | #2 Console 22% | #3 PC 21%

Take-Two FY26 revenue

~78% Recurrent spending | ~22% Full-game sales



Game launches, online services and in-game content function together as a single revenue system.
Value is created by converting a **one-time game sale** into **recurring, high-margin in-game spending, subscriptions and re-releases** across a franchise's 10+ year life.

Gaming Industry Ecosystem

Developers / Publishers → **Distribution & Platforms** → **Live Ops & Monetization** → **End Users**

- Developers / Publishers: EA SPORTS, Take-Two, Microsoft, SONY, UBISOFT
- Distribution & Platforms: Console stores; PC (Steam, Rockstar); App stores
- Live Ops & Monetization: Virtual currency; Subscriptions (GTA+); In-game ads (Zynga)
- End Users: 3.7B players worldwide

Sources: Newzoo 2026 Global Games Market Report; Take-Two FY2026 Form 10-K (FY22–FY26 actuals); SIG financial model, Base Case GAAP revenue (revised Nov 2026) for 2027E–2031P.

Take-Two Interactive Overview

Take-Two operates across console, PC and mobile through Rockstar Games, 2K and Zynga.

Business Description

- Take-Two develops and publishes interactive entertainment for console, PC and mobile through three labels: Rockstar Games, 2K and Zynga.
- Owns Grand Theft Auto (~475M units sold-in), Red Dead Redemption and NBA 2K, among the best-selling franchises in gaming history.
- Headquartered in New York; FY26 net revenue of $6.7B, 59% from the United States.

Flagship Franchises

Revenue by Label (FY27E bookings)

Rockstar Games ~37% of bookings *GTA · Red Dead*	2K ~29% of bookings *NBA 2K · Borderlands*	Zynga ~34% of bookings *Mobile casual*
Grand Theft Auto GTA V ~230M units *GTA VI: Nov 19, 2026*	**NBA 2K** NBA 2K26 12M+ units *In-game spend +30%*	**Puzzle & Casual** Toon Blast, Match *Factory, Color Block Jam*
Red Dead RDR2 87M+ units *Online live service*	**Core Titles** Borderlands, Mafia, *Civilization, WWE 2K*	**Direct-to-Consumer** Payments bypass *app-store fees*

Franchise Economics

Grand Theft Auto



NBA 2K



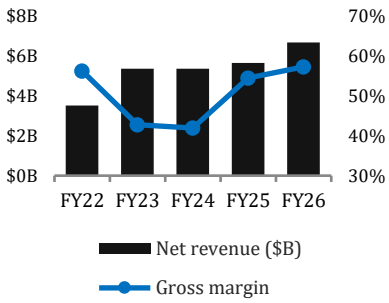
Per-franchise scale

- GTA V: ~230M units, ~5M a quarter after 13 yrs
- GTA series: ~475M units sold-in
- Red Dead Redemption 2: 87M+ units
- NBA 2K26: 12M+ units, a record year

Growth Strategy

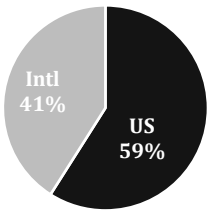
1. GTA VI (Nov 19, 2026) resets the earnings base; Online, PC and creator tools extend it for years.
2. 21 core titles across FY28–FY29, including BioShock, Borderlands and Mafia sequels plus new IP.
3. Mobile shifts to direct payments and faster titles; M&A once GTA VI cash arrives.

Revenue Growth and Margin Recovery



Revenue nearly doubled since FY22. Gross margin dipped as Zynga deal costs hit, then recovered to 57% in FY26 as they rolled off.

By Geography (FY26)



- US is 59% of revenue, above the fund's >50% requirement
- International sales span Europe, Asia and the rest of the world
- ~96% of bookings delivered digitally

How Take-Two Earns $1.00 of Revenue (FY26)

Recurrent consumer spending 78¢	Full game & other 22¢

Sources: Take-Two FY2026 Form 10-K and Q1 FY2027 earnings release;

Take-Two's Competitive Positioning

Take-Two combines Grand Theft Auto, NBA 2K and a scaled mobile business.

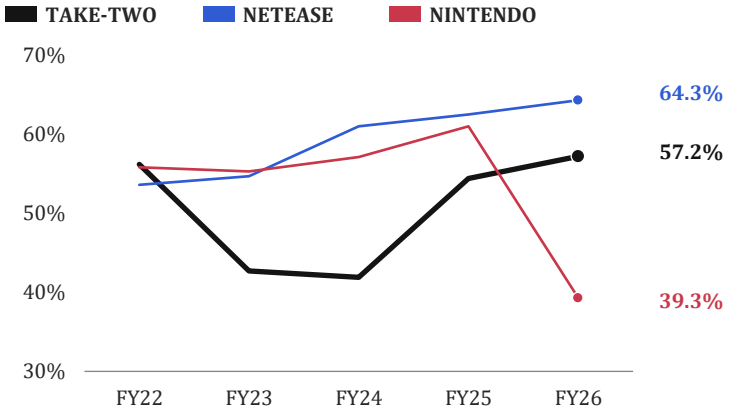
Competitive Position

- While EA and Microsoft both publish blockbuster franchises, we believe Take-Two's mix of the largest open-world franchise, the leading basketball game and a scaled mobile business is unmatched. No competitor owns all three.

Take-Two is the only publisher with a 230M-unit open-world franchise, the top basketball game and a scaled mobile label under one roof.

EA SPORTS	EA leads soccer and American football, but has not released an NBA game since NBA Live 19. NBA 2K owns basketball, with in-game spend up 30%+ in FY26.
Microsoft On AAA	Call of Duty ships every year, but no rival matches GTA's scale: GTA V has sold ~230M units and still sells ~5M a quarter.

Gross Margins Compared with Peers



Take-Two's margin dipped as Zynga deal costs hit, then recovered to 57% in FY26. Nintendo's fell to 39% as low-margin Switch 2 hardware sales grew; software-only publishers keep higher margins.

EA Take Private Transaction (August 2026)

$55 bn take-private by PIF, Silver Lake & Affinity Partners

Closed

August 2026; delisted from Nasdaq

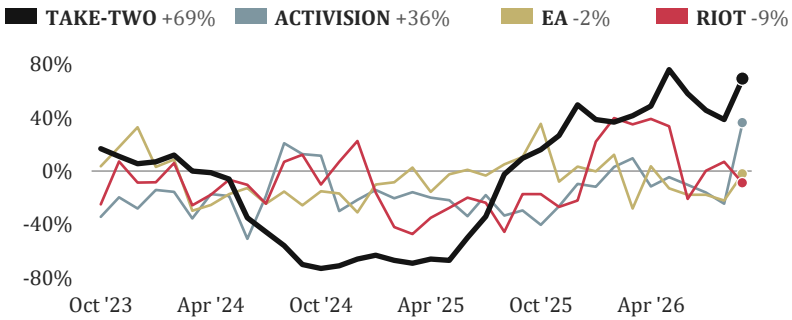
Structure

~$36bn equity + $20bn debt
$210 per share, 25% premium

Multiples

EV / EBITDA: ~27.7x
Largest LBO in history

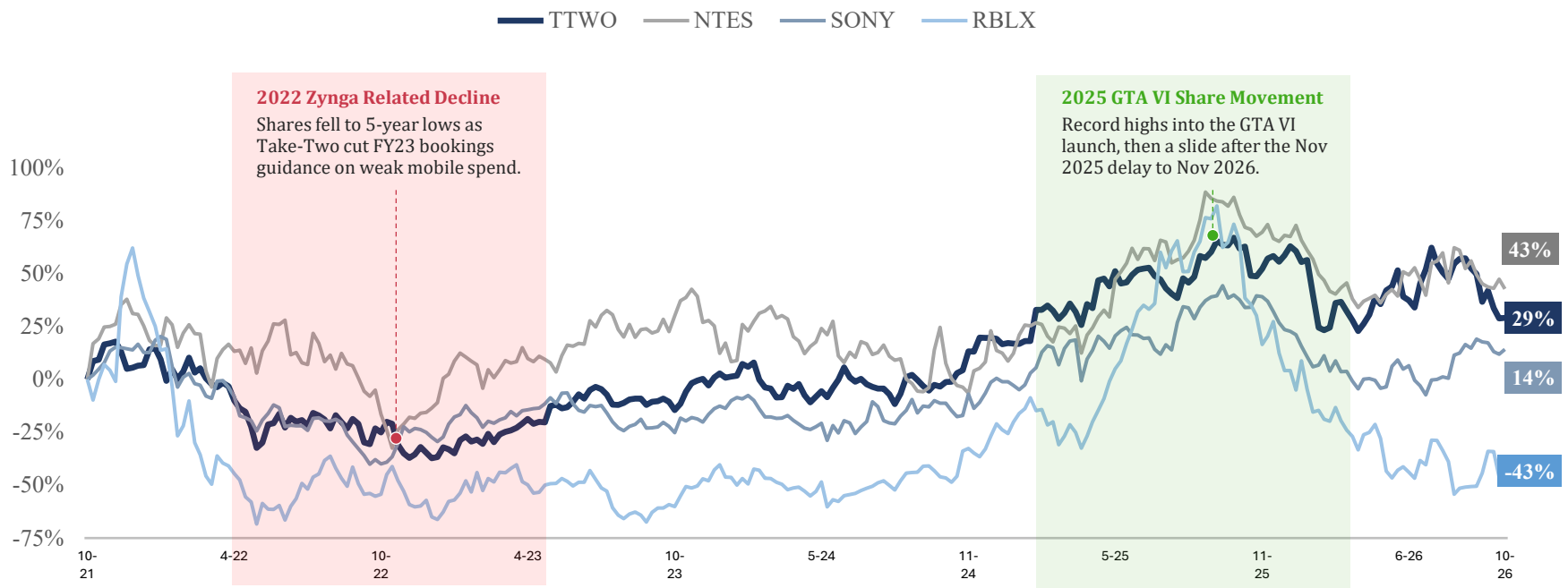
Transaction Spending Growth



Sources: Take-Two, Nintendo and NetEase FY2026 filings; EA transaction disclosures; Bloomberg

Annotated Historical Stock Price

GTA VI Updates and Take-Two Share Price



Why is The Stock Mispriced?

1. **Nov 2022:** TTWO fell about 11% to about $97, a three-year low, after cutting FY23 bookings guidance from $5.8–5.9B to $5.4–5.5B on weak Zynga mobile spending.

2. **May 2025:** TTWO dropped as much as 10% after GTA VI was delayed into 2026, finishing the day down 6.66%.

3. **Nov 2025:** Shares fell about 10% after hours, from$252.50 to as low as $219.87, within a minute of Rockstar confirming the November 2026 date.

Could Suggest Overseen Opportunities

→ Morgan Stanley said Zynga would stay an overhang until mobile gaming bottomed, but called the pipeline and long-term opportunity intact. 18 of 23 analysts kept Buy ratings.

→ Jefferies argued that a firm release date lowered the odds of another delay, and that the drop was likely short-term traders exiting rather than a verdict on the long-term business.

→ The delay overshadowed better-than-expected quarterly results, and investors grew impatient with the company's reliance on GTA VI timing.

Sources: Bloomberg price history; Take-Two May 2025 Form 8-K and Q2 FY2026 results; Jefferies research.

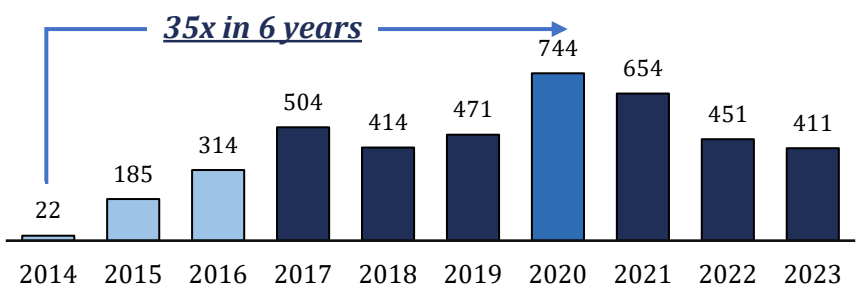
The market only prices the launch

Earnings and cash the price ignores

GTA VI Earns for a Decade, Not a Quarter

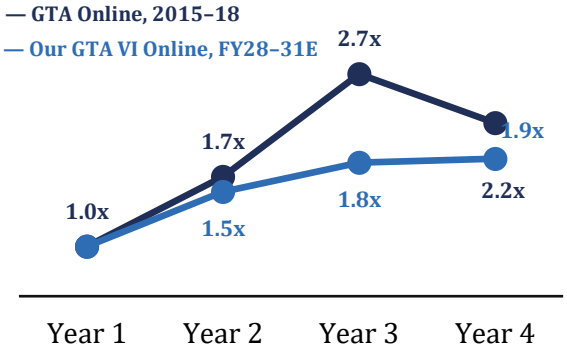
GTA V made most of its money after launch through GTA Online. GTA VI Online and the PC version are both excluded from management's FY27 guidance; analysts who model Online in later years, such as Wedbush, sit well below our build.

GTA Online Revenue by Year ($M)



GTA Online made $21M in its first year and $744M at its 2020 peak. It still earns ~$410M a year, a decade after launch.

Online Revenue vs. Its First Big Year (x)



2.7x in 2 years
GTA Online, 2015–17

1.84x in 2 years
Our model, FY28–30E

Online bookings per monthly player: $47–54 a year

GTA VI Turns a Mobile Company Into a Console One



Share of revenue (FY26A) and of our bookings (FY28E)

Why it matters: the market values Take-Two as a mobile company with one big launch. By FY28 it is mostly a console & PC company with recurring Online revenue.

Outside FY27 Guidance: What Comes Next

FY27 guidance covers only this ↓



These two are in no guidance yet ↓

Console game	GTA VI Online	PC version
In guidance	**$1.65B FY28E**	**$1.47B FY28E**
Launches Nov 19, 2026	Not announced yet	19M copies; GTA V's port came 19 months later

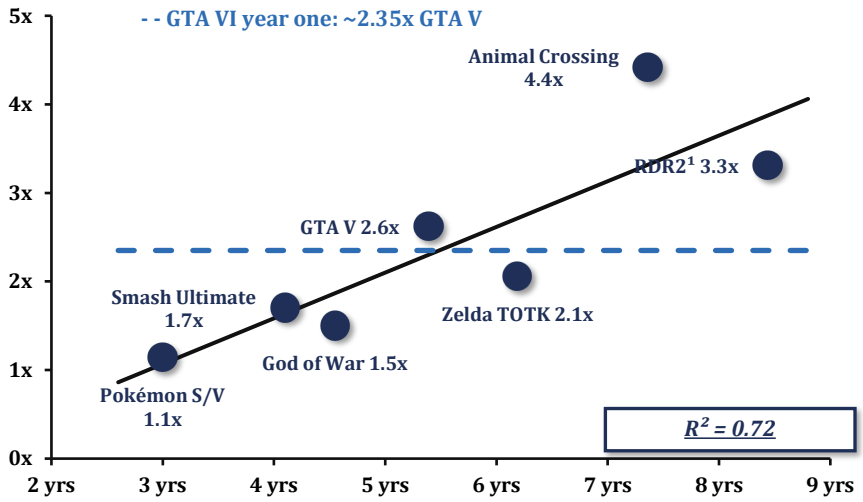
$3.13B 26.7% of our FY28E bookings (Online + PC) is in **no company guidance yet**

Sources: Take-Two FY2026 Form 10-K (revenue by platform) and Q1 FY27 results; GTA Online revenue from RockstarINTEL leak (unofficial estimates, not company-reported); BofA/Merrill GTA VI Online estimates; SIG Revenue Playbook (Nov 2026).

A 13-Year Wait Supports 233M Copies

Sequels sell more in year one the longer fans wait. GTA VI's 13-year wait supports our 233M Base-case copies by FY31, up from 224M as next-gen consoles and PC widen the pool of new buyers.

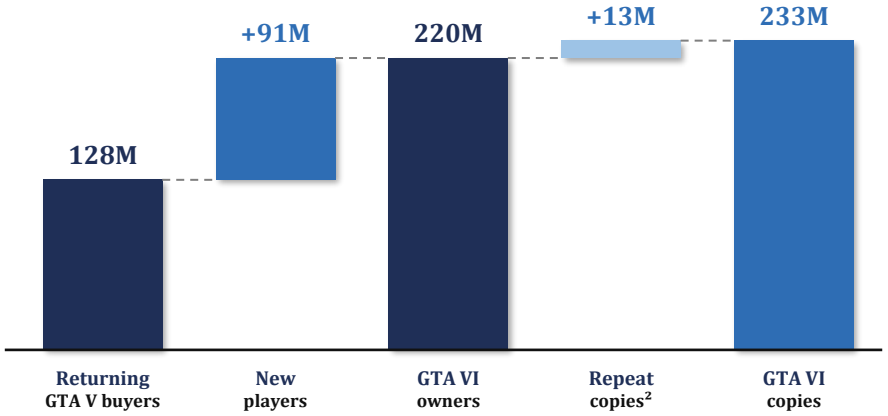
Year-One Sales vs. Years Since the Last Game



GTA VI's ~80M first year is 2.35**x** GTA V's 34M (Take-Two, Aug 2014, ~11 months). That is what a **~5.5-year** wait predicts, and fans waited **13**.

How to read it: each dot is a sequel. Further right = longer wait; higher = bigger first year vs. the last game. Year one = first reported sales near 12 months (windows 5.5–13.5 months). GTA VI's 13.2 years is outside the sample, so we cap the fit at 8.4 years (~3.7x, ~124M) instead of the straight-line 6.3x.

How We Get to 233M Copies by FY31E



Rockstar's Own Sequels, ~4.4 Years After Launch



[1] **RDR = Red Dead Redemption.** [2] **Repeat copies:** GTA V's ~230M copies came from ~144M buyers (37% were re-buys as players moved PS3 → PS4/Xbox One → PC). We assume only 1.06 copies per GTA VI owner because the PC port comes sooner and there is no console-generation jump.

Sources: Nintendo, Sony, The Pokémon Company, Capcom and Take-Two sales disclosures; Take-Two (GTA V 34M, Aug 2014); SIG sequel regression and Revenue Playbook (Nov 2026).

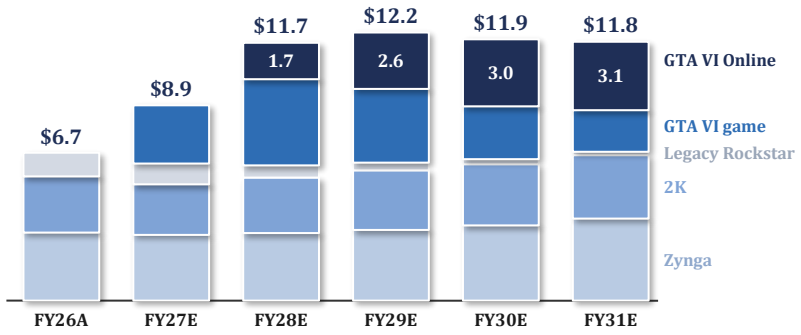
Online Puts Us ~27% Above the Street in FY29

Our FY29 GAAP revenue is $12.0B vs. $9.47B consensus revenue (+27%), and GTA VI Online is 62% of our FY26–31E bookings growth. Wedbush, one analyst and the only FY29 Online estimate we found, has $1.4B; we have $2.56B (+83%).

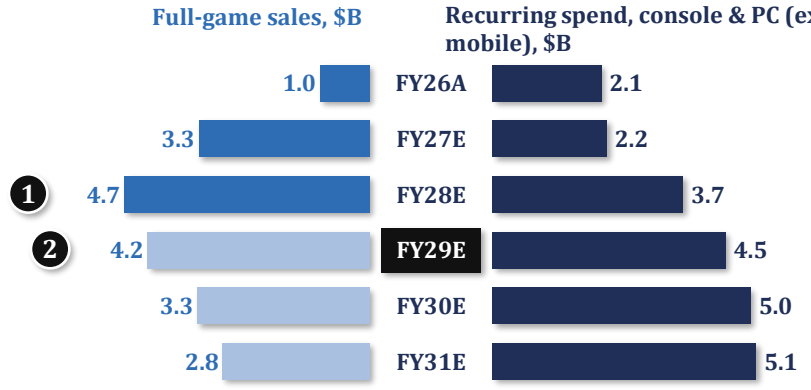
GTA VI Online Is 62% of Growth

Net bookings by engine, $B

62% *of the $5.0B added by FY31E is GTA VI Online*



Recurring Spend Overtakes Game Sales by FY29



1 Game sales peak in FY28E as PC launches. 2 From FY29E recurring spend is bigger every year, reaching $5.11B by FY31E (19.3% a year since FY26A; 43% of FY31E bookings), so revenue stops depending on the next launch.

GTA VI Online: Consensus Underprices Its Monetization

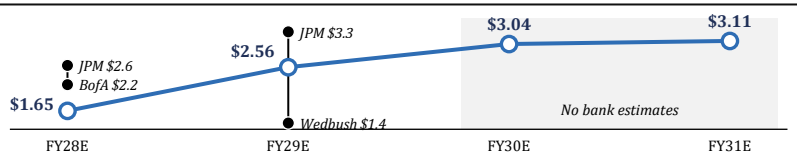
Wide Dispersion Creates Mispricing
$1.4–3.3B (2.4x spread)
Only three banks break out FY29E Online, leaving a 2.4x forecast gap and no consensus anchor.

Upward Revisions Have Started
+$900M in one BofA note
BofA raised FY28E Online bookings 69% to $2.2B on spend per player, signaling Street catch-up ahead.

Embedded Upside in Our Base Case
$49 vs. BofA's $60 a player
At BofA's $60 a player, our 52M FY29E players yield $3.1B: $550M above our base model.

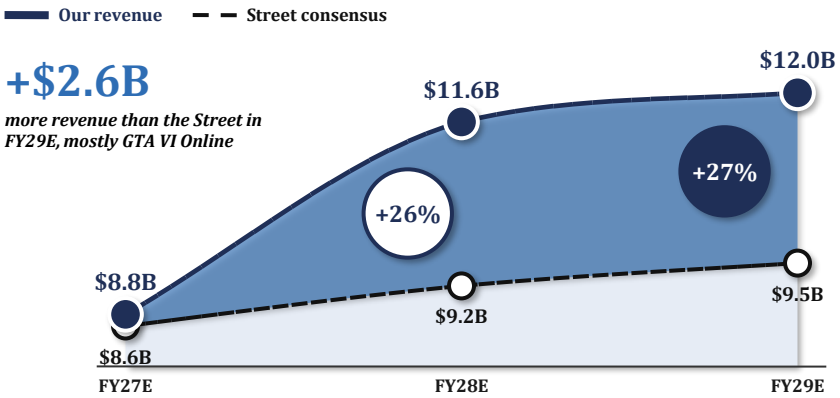
Online Alone Is ~24% of the Price
~$51 a share today
FY31E Online ($3.1B) at our 5.0x exit, discounted at our 10.1% WACC, vs. the $213 share price.

Online bookings ($B): the only 3 bank forecasts



FY29 Revenue Is $2.6B Above Consensus

+$2.6B
more revenue than the Street in FY29E, mostly GTA VI Online



Sources: TTWO FY2026 10-K; Bloomberg and Investing.com consensus (Oct 2026); BofA/Merrill (FY28E) and Wedbush (FY29E) GTA VI Online estimates; SIG Revenue Playbook (Nov 2026). Bottom right: our GAAP revenue vs. Street revenue. Recurring spend is console & PC only; company-wide RCS incl. mobile is ~75% ($8.71B) of bookings.

The market only prices the launch

Earnings and cash the price ignores

Margins Expand, Stock Trades Below Peers

EBITDA margin goes from 18% to 25%, and Take-Two grows 3x faster than peers at a lower multiple. We model $2.88B of FY31E EBITDA on $11.5B of revenue.

Four Drivers of Margin Improvement

01

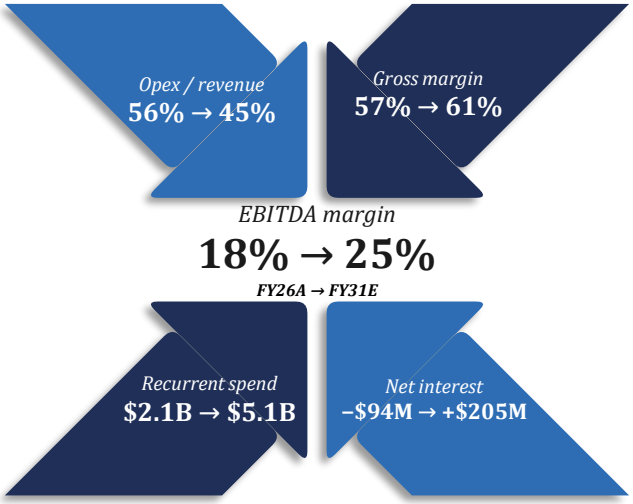
Revenue outgrows costs

GTA VI roughly doubles revenue, but studios, development and overhead are mostly fixed: opex falls from 56% to 45% of revenue by FY31. Non-cash Zynga amortization also drops from $618M in FY27E to $47M by FY31E, lifting EPS.

02

A richer sales mix

Online spending is the highest-margin revenue: it runs on a game players already own, so each extra dollar costs very little to deliver. As it grows from about a third to 43% of bookings, gross margin climbs from 57% to 61%.



03

Online spending scales

Players keep spending long after buying the game. Recurrent spending on PC and console grows from $2.1B in FY26 to $5.11B in FY31 as GTA VI Online ramps, as GTA V did for over a decade.

04

Interest turns to income

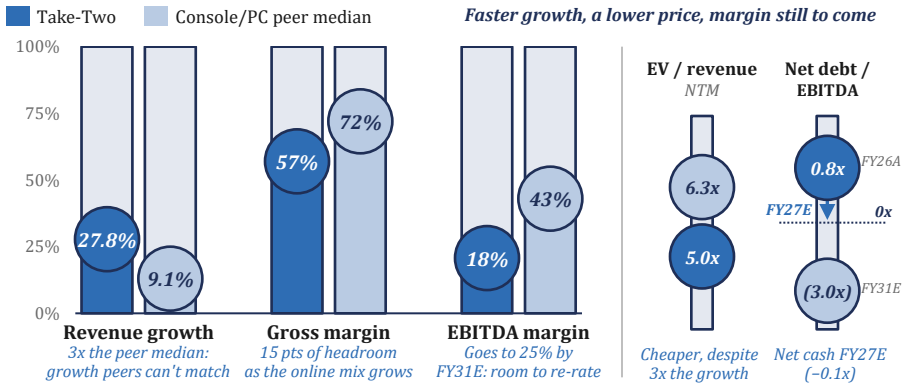
GTA VI cash repays $1.7B of the term loan and builds a growing cash balance, turning a $94M net interest cost in FY26 into $205M of net interest income by FY31E.

How the Market Values Each Type of Gamemaker

Console / PC peers	Mobile / online peers	Take-Two
6.3x	**3.5x**	**5.0x**
NTM EV / revenue	NTM EV / revenue	NTM EV / revenue
43% EBITDA margin	37% EBITDA margin	18% → 25% EBITDA margin
9% revenue growth	25% revenue growth	28% revenue growth
Capcom, Nintendo, Konami, CD Projekt	Tencent, NetEase, Krafton, Roblox	Mix moves to ~68% console & PC

Console & PC games get the higher multiple. At Take-Two's FY31E mix from GTA VI (68% console & PC), peers imply 5.4x: our 5.0x leaves re-rating out of our target.

Take-Two Compared with Console and PC Peers



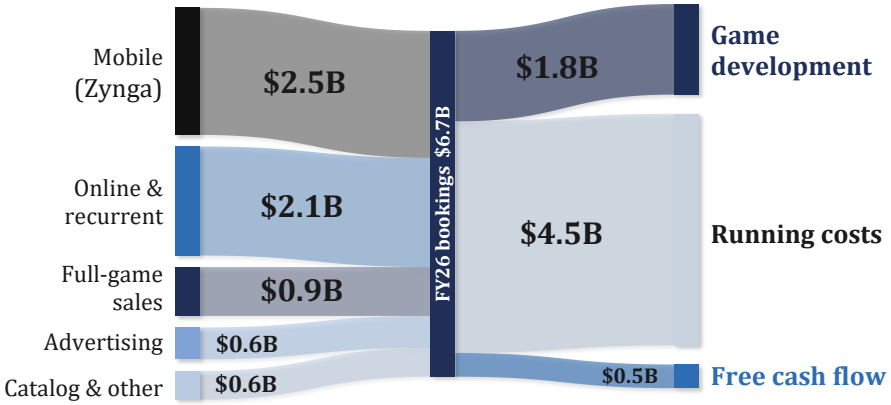
Sources: Take-Two FY2026 Form 10-K; StockAnalysis.com / S&P Global peer data (Nov 4, 2026); SIG financial model, 3-Statement and Comps (Nov 2026). Medians: console / PC = Capcom, Nintendo, Konami, CD Projekt; mobile / online = Tencent, NetEase, Krafton, Roblox. Priced at today's $213.47 model price.

Free Cash Flow Grows 5x With GTA VI

The base business already pays for its own development, so GTA VI drives FCF from $0.5B in FY26 to $2.48B in FY31E and $9.15B over FY27–31E. We model 233M GTA VI copies by FY31E.

Existing Business Funds Development

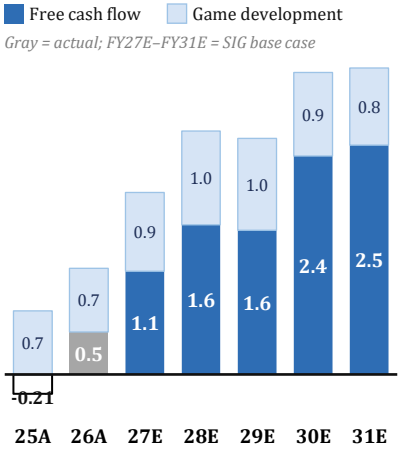
FY26 bookings, $B: zero GTA VI, yet the business funded its own development and still produced free cash



GTA VI contributed **$0**

Free Cash Flow and Capital Allocation

Cash flow by year, $B

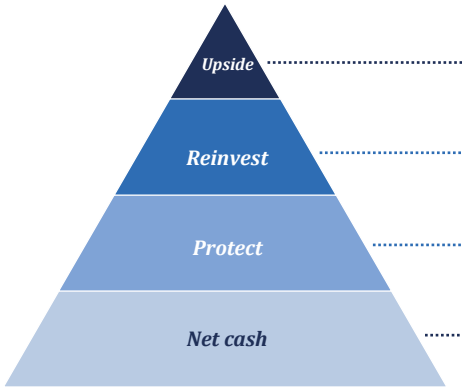


Capital allocation (illustrative)

- **Next Rockstar title** — Expected in ~5 years — **~$1.0B**
- **Annual franchises** — NBA 2K, WWE 2K, PGA TOUR — **$1.0B/yr**
- **Debt repayment** — Term loan, FY27E–FY30E — **$1.7B**
- **Retained cash** — No buybacks modeled — **Balance**

Comparable budgets (est.): GTA V $0.27B · GTA VI ~$1.5B
Red Dead Redemption 2 up to $0.54B

Uses of GTA VI Cash Flow



Upside
No buybacks modelled, so the leftover cash keeps building

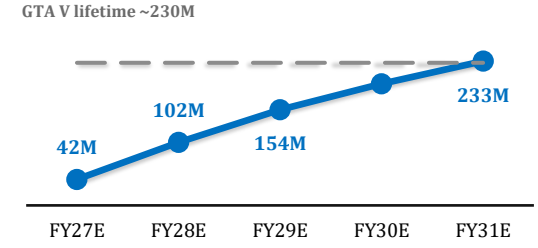
Reinvest
Fund the next Rockstar and 2K games, **GTA VI Online and PC**

Protect
Pay down the term loan; **net interest turns to income in FY28**

Net cash
Launch cash clears net debt **in FY27E**

GTA VI Copies Build to 233M by FY31E

Cumulative GTA VI Copies (M)



233M copies by FY31E, just above GTA V's ~230M lifetime.

The Model Assumes...

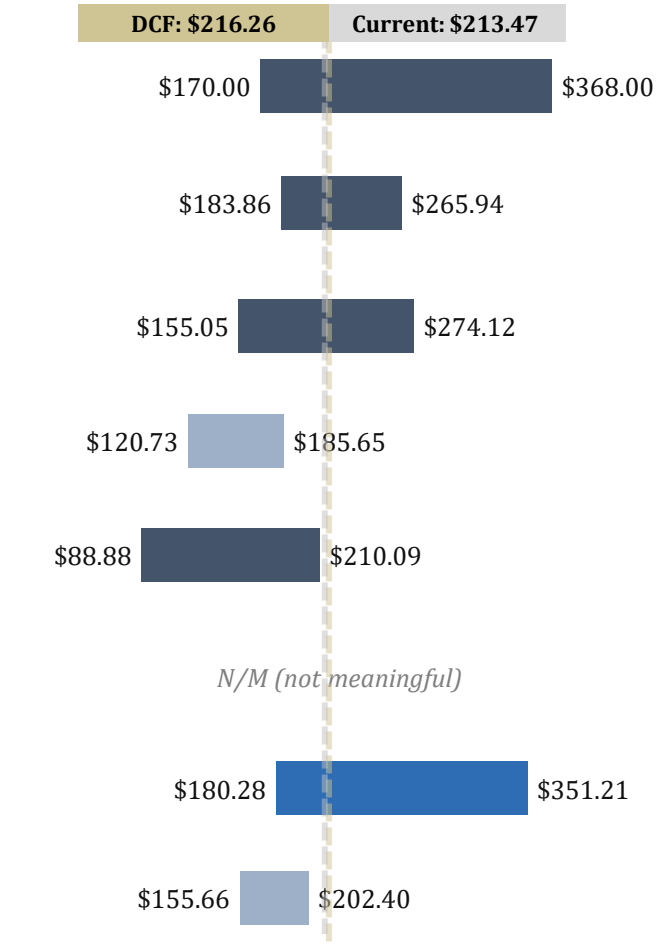
219.6M unique owners by FY31E (~1.06 copies each)

GTA V sold ~230M over its lifetime

Sources: Take-Two FY2026 Form 10-K; SIG financial model, 3-Statement and Revenue Playbook (revised retention, Nov 2026). FCF = operating cash flow less PP&E capex; game development (capitalized software) is already deducted within operating cash flow and is shown for reference only. Priced at today's $213.47 model price.

Valuation Analysis

Reference		Price Range (Low/High)	Comments
For Reference	Analyst Consensus	$170.00 – $368.00	• At $213.47, TTWO sits inside four of seven ranges: analyst consensus, 52-week, comps EV/Revenue and intrinsic EV/Revenue. It is above comps P/E and both EV/EBITDA cross-checks, which top out at $210.09, $185.65 and $202.40.
	52 Week High/Low	$183.86 – $265.94	
Comps	EV/Rev	$155.05 – $274.12	• Our FY31E Base Case exit price is $331.89 at 5.0x EV/Revenue: a future value, not discounted, so it is not plotted against today's ranges. Our DCF gives $216.26 a share today and the Reverse DCF present value is $218.26; these are separate methods.
	EV/EBITDA *(check)*	$120.73 – $185.65	
	P/E	$88.88 – $210.09	• We anchor on intrinsic EV/Revenue, the same method behind our 5.0x exit; its $180.28–$351.21 range brackets today's price.
Intrinsic (5 Year)	Gordon Growth	*N/M (not meaningful)*	• Comps ranges are FY31 values discounted to today at the ~10.1% WACC. Both EV/EBITDA rows are cross-checks only: peers trade at a 16.3x median, below the ~20x FY31E EBITDA our 5.0x revenue exit implies.
	EV/Rev	$180.28 – $351.21	
	EV/EBITDA	$155.66 – $202.40	• Gordon Growth is N/M: a perpetuity on pre-GTA VI cash flow understates a business whose earnings are about to reset higher. Intrinsic P/E is N/M because Zynga amortization and impairments pushed GAAP earnings negative.



Sources: Bloomberg market data; Take-Two FY2026 Form 10-K; SIG financial model, DCF and Reverse DCF (revised Nov 2026). Ranges are the model's saved Football Field outputs: values today, not FY31E exit prices.

Investment Considerations

Take-Two's risks center on one launch, but GTA V's decade-long tail, growth at 2K and Zynga, and a recurring-revenue base limit the downside, while GTA VI's launch, its online relaunch and FY28 guidance give the stock clear near-term catalysts.

Risks

Launch expectations are elevated

Consensus FY27 revenue of ~$8.5B already sits above management's $8.0–8.2B guidance. GTA VI has been delayed twice, so a softer launch, another slip or a weak first quarter could pressure shares even if long-term demand is intact.

GTA VI Online is still unannounced

Our thesis relies on GTA VI building a decade-long recurring tail, but Rockstar hasn't announced an online mode, pricing or timing. If the online relaunch comes late or monetizes below GTA Online, the recurring revenue we model would be pushed out.

Another GTA VI delay

GTA VI has already slipped from 2025 to Nov 19, 2026, and each delay hit the stock. Another slip would push launch revenue into FY28, force guidance cuts and test investor patience, with the stock priced for a launch this fiscal year.

Mitigants

Guidance leaves room to beat

Management's guidance sits below consensus, so the bar is set conservatively. Trailer 2 drew 475M views in 24 hours, and the CEO called pre-orders "unprecedented." GTA doesn't need a record launch quarter: GTA V still sells ~5M copies a quarter.

A proven online playbook

GTA Online launched two weeks after GTA V and still earns ~$500M a year. Rockstar now owns FiveM, the home of GTA roleplay, and per Take-Two IR, multi-year plans for GTA VI are board-approved.

A delay moves value, it doesn't erase it

A delay pushes GTA VI revenue out but doesn't remove it; demand for the game doesn't go away. In the meantime, 2K and Zynga carry the business: bookings grew 19% in FY26 with GTA at just 12.4% of revenue, and 4 of the top 5 growth drivers weren't GTA.

Catalysts

GTA VI launch, Nov 19, 2026

The biggest entertainment launch on record lands in Q3 FY27. Strong sell-through and engagement in the first weeks would show the decade-long tail we model, not a one-quarter spike, and close the gap between the stock's launch pricing and its long-term value.

GTA VI Online announcement

An online launch date or monetization details would put numbers on the recurring revenue the market isn't yet pricing in. Disclosing the board-approved multi-year plans would show investors how GTA VI keeps earning after launch week, as GTA V did.

FY28 guidance, May 2027

FY28 is the first full year after launch, and shares trade at ~22x FY28 earnings versus ~34x FY27. Guidance that confirms a higher earnings base would show the spending phase is over and support a re-rating toward our price target.

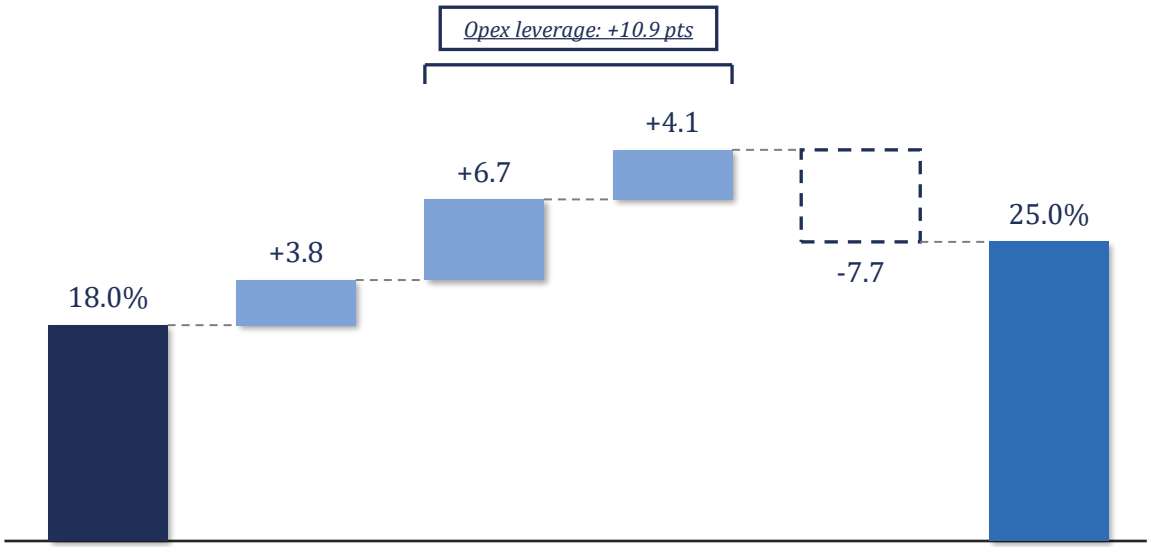
Sources: Take-Two FY2026 Form 10-K and Q1 FY2027 earnings release; Bloomberg consensus

Appendix & Supporting Materials

EBITDA Margin Bridge

Operating leverage lifts EBITDA margin from 18.0% in FY26A to 25.0% in FY31E: revenue grows ~73% while SG&A and R&D grow slower

EBITDA Margin, % of Revenue



$1.2B EBITDA	Gross margin	SG&A % of sales	R&D % of sales	D&A % of sales	$2.9B EBITDA
	57% → 61%	39.7% → 33%	16.1% → 12%	~20% → 11%	
	Digital & PC mix	*Fixed marketing base*	*Budget lags revenue*	*Less added back*	

D&A & Other: D&A added back falls from 19.6% to 10.7% of revenue (−8.9 pts), partly offset by lower other operating expense (+1.2 pts). FY31E EBITDA margin 25.0% ($2.88B on $11.54B revenue).

Fiscal year ends March 31.

What It Means

+6.9 pts of margin

Revenue grows ~73%
$6.7B FY26A → $11.5B FY31E

Costs grow slower
SG&A and R&D fall as a share of sales

Still below peers
25% vs. 43% for console & PC peers

No heroic cuts needed: opex dollars keep rising; they just spread over a much larger GTA VI revenue base.

Latest Earnings: Q2 FY27 (Quarter Ended Sep 30, 2026)

Q2 came in slightly light on NBA 2K and mobile, but GTA VI preorders are "far in excess" of plan and the reiterated guide puts ~$3.4B of bookings in the launch quarter

Q2 Scorecard

Net bookings $1.60B

–18% vs. last year; just under the $1.62–1.67B guide



Recurrent spending	**–9%**	vs. –5% guide; 81% of bookings
GAAP net loss	**–$54M**	vs. –$134M a year ago (smaller loss)
Operating expenses	**–9%**	to $978M, keeping the loss small
Digital share	**98%**	of bookings were digital

Where Q2 Bookings Came From

Console $743M | **Mobile** $708M | **PC**

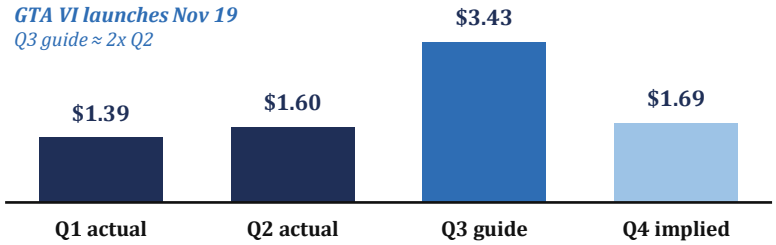


GTA series: Recurrent spending up double digits (heist update, GTA+); GTA V at ~235M units.

NBA 2K27: 2nd-best launch in series history, 4M+ units, but below plan; main reason for the miss.

Mobile: Color Block Jam down double digits from its peak; Toon Blast +4%, Words With Friends +6%. More declines expected.

FY27 Bookings by Quarter ($B)



FY27 guide reiterated: $8.0–8.2B bookings, EPS $0.57–0.75, operating cash flow >$1B, capex ~$290M.

What Management Said About GTA VI

> *"Preorders for Grand Theft Auto VI are tracking far in excess of our initial expectations."*
> — Strauss Zelnick, CEO

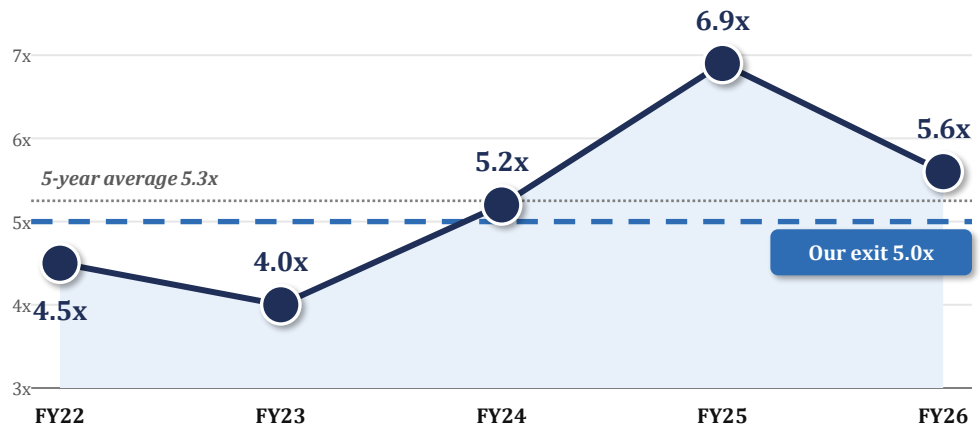
> *"There is really no need to update numbers right now."*
> — Zelnick, on not raising guidance before launch

Launch Nov 19 | **Q3 opex +21% (marketing)** | **Net cash by FY-end**

Why a 5.0x Exit Multiple

Our 5.0x exit is below Take-Two's own 5.3x average and the 6.3x console/PC peers, even though GTA VI makes it mostly a console company

Take-Two's Own EV / Revenue, FY22–FY26



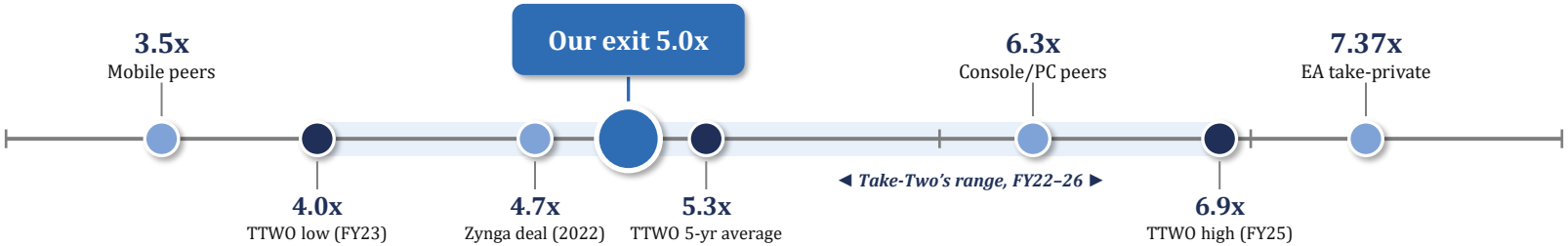
Why 5.0x Is Conservative

Below its own history
5.0x vs. a 5.3x FY22–26 average

Mix moves to console
Console & PC reach 74% of revenue by FY28E; those peers trade at 6.3x

Below what buyers pay
EA's take-private valued it at 7.37x

Where 5.0x Sits Among Every Benchmark



How We Get to 5.0x
Weighted by FY31E, our exit year

6.3x Console/PC median *× 68% of FY31E bookings*	+	**3.5x** Mobile median *× 32% (Zynga)*	=	**5.4x** Mix-implied multiple *5.1x even without CD Projekt* → **5.0x** ~8% below blend, because *FY31E sales –1% vs. peers +9%*

How We Get to 233M GTA VI Copies

New buyers from consoles and PC (91M) plus returning GTA players (128M) give 220M owners; at 1.06 copies each, that is 233M copies, 3.9% above our prior 224M. A researched Base case, not a guarantee.

Step 1: New Buyers From Eligible Hardware

Console

135M (*PS5 + Xbox Series today*) + 39M (*PS6, first 3 yrs*) + 19M (*next Xbox, 3 yrs*) = 194M (*devices*) × 30% (*convert*) = **58.1M** *console buyers*

PC

193M (*desktop graphics boards (JPR)*) → (*60% qualify*) 115M (*GTA VI-ready PCs (est.)*) × 29% (*convert*) = **33.4M** *PC buyers*

91.4M **new buyers**
vs. 83.3M in our prior model (+9.8%)

Where the conversion rates come from

Console conversion

Bear	Base	Bull
25%	30%	35%

Circana: 29% of U.S. gamers plan to buy GTA VI (Oct 2026), a record for its tracker

PC conversion

Bear	Base	Bull
20%	29%	39%

Base = Circana 29%; Bull = PC Gamer poll, 39% willing to wait for PC

Step 2: From Buyers to Copies

Returning GTA V owners	Lapsed / never paid	New buyers (Step 1)	+ Repeat copies
230M GTA V copies → 144M unique owners × 75% return	*analyst estimate*	*console 58.1M + PC 33.4M*	*25% of PC copies go to console owners*
108.2M	20.0M	91.4M	13.1M

219.6M unique GTA VI owners *(prior model 211.5M)*

232.7M copies
= 1.06 per owner

What It Changes in the Model (Base Case)

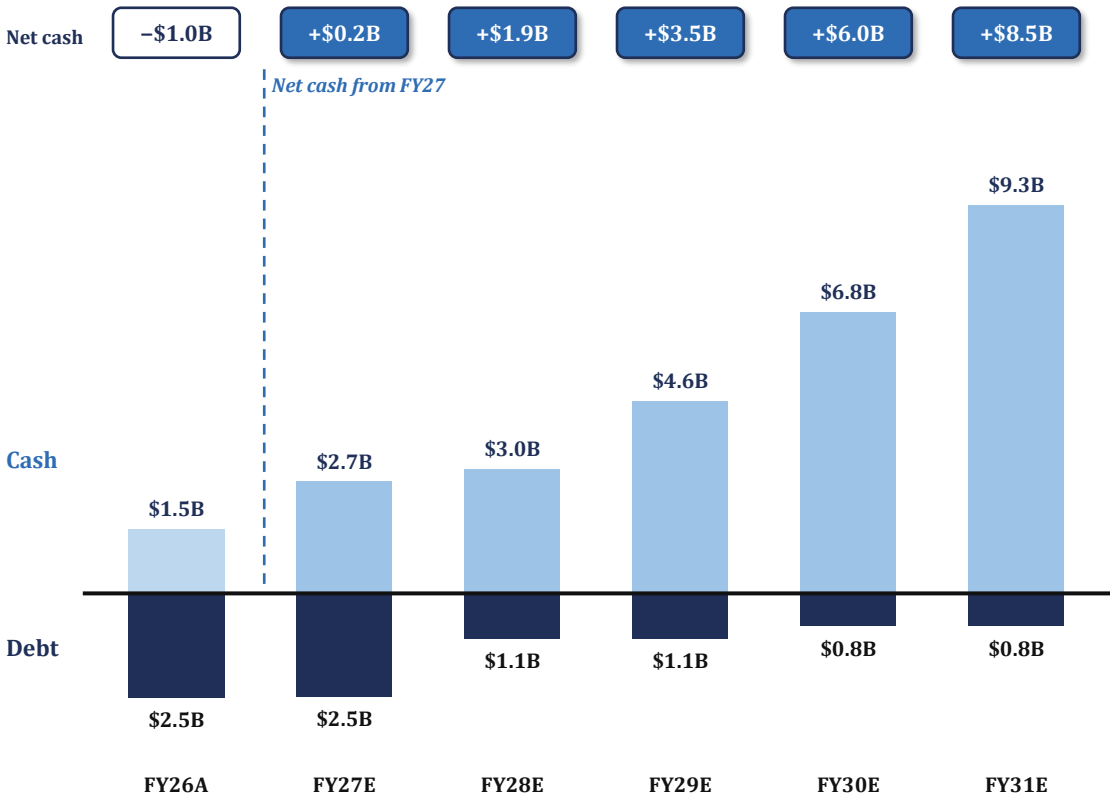
- **+8.7M copies** — *224M → 233M through FY31 (+3.9%)*
- **+$901M revenue** — *GAAP, FY28–FY31; CAGR 11.2% → 11.6%*
- **$3.11B Online** — *FY31 (from $2.98B); 57.9M monthly players*
- **$332 FY31 price** — *from $326; +55% vs. today's $213.47*

Sources: Sony (PS4/PS5 shipments); Microsoft FY2008 10-K; Ampere Analysis; Xbox Wire (Mar 2026); Jon Peddie Research (Sep 2026); Steam Hardware Survey, Circana and PC Gamer (2026); Take-Two IR; SIG TTWO model (Nov 2026).

Balance Sheet and Debt

Take-Two pays debt down from $2.5B to $0.8B and flips to net cash in FY27, building $9.3B of cash and $8.5B of net cash by FY31 with a $1B revolver it never touches

A Cash Builds Above, Debt Shrinks Below



B Liquidity and Paydown

$1.0B revolver

Undrawn through FY31E

100% available · $0 drawn

Debt Paid Down

- **FY27E $29M** — *small paydown*
- **FY28E $1.4B** — *maturing notes repaid*
- **FY30E $0.3B** — *maturing notes repaid*
- **FY31E $0.8B left** — *no more maturities modeled*

Why no buybacks: Take-Two has not bought back stock since FY22 and has not announced a plan, so we let the cash build. Any buyback would be upside to our $331.89 FY31E price.

Illustrative cash mix: using the ~60% money-market share in Take-Two's FY2025–FY2026 filings, FY31E cash of $9.33B would be ~$5.60B money market funds and ~$3.73B other cash. Both are within cash and cash equivalents and remain available; not a management plan.

WACC Build and Beta Regression

Our own 5-year regression gives a 1.29 beta and a 10.1% WACC; Yahoo's 0.93 would cut WACC to ~8.6% and raise value, so we use the tougher number

A Beta Regression: TTWO vs. S&P 500



B WACC Build

Cost of equity (CAPM)

4.95% Risk-free	+	1.29 Beta	×	4.24% Risk premium	=	10.4%

Cost of debt, after tax

5.0% Pre-tax	×	(1 – 18%) Tax rate	=	4.1%

Capital weights

Equity 95% · $43.6B market cap

Debt 5% · $2.5B

WACC 10.1%

95% × 10.4% + 5% × 4.1%

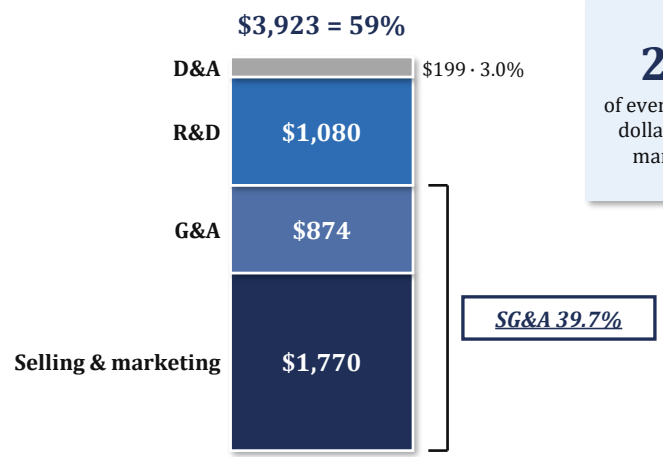
With Yahoo's 0.93: cost of equity 8.9%, WACC ~8.6%. A lower hurdle lifts value, so it is the more aggressive choice.

Why 1.29: beta is noisy (R^2 0.24; the 95% range runs ~0.7–1.9, so 0.93 is possible), so we take the higher, more conservative estimate. Our $331.89 FY31 price comes from the exit multiple; WACC drives the DCF cross-check.

Operating Expense Breakdown

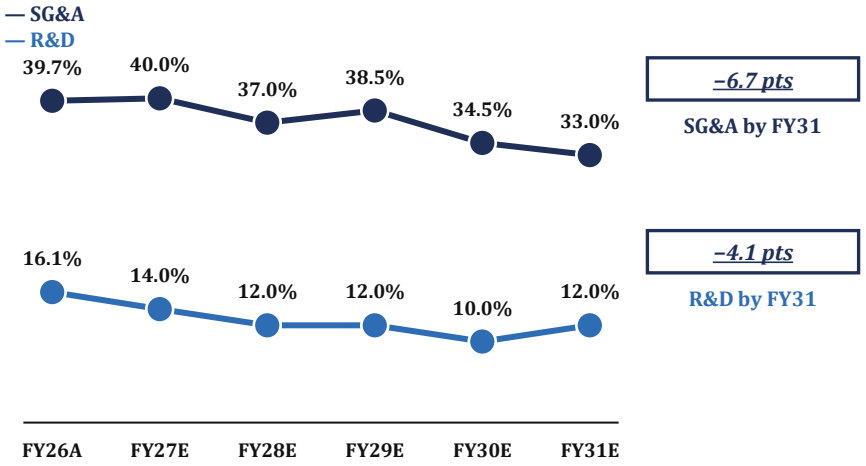
Operating costs took 59% of revenue in FY26, led by marketing. We model SG&A falling to 33% and R&D to 12% by FY31, worth ~$1.2B a year of margin

FY26 Operating Expenses ($M)



27¢
of every revenue dollar goes to marketing

Opex as % of Revenue



–6.7 pts
SG&A by FY31

–4.1 pts
R&D by FY31

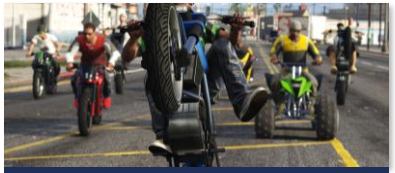
Why Marketing Falls



Zynga mobile

Pays for every new player with install ads, so marketing grows with revenue

vs



GTA VI Online

Players already own the game, so there is no cost to win them

What the Leverage Is Worth

$1.2B

a year of extra EBITDA in FY31E vs. FY26 cost ratios

$773M
SG&A savings on $11.5B revenue

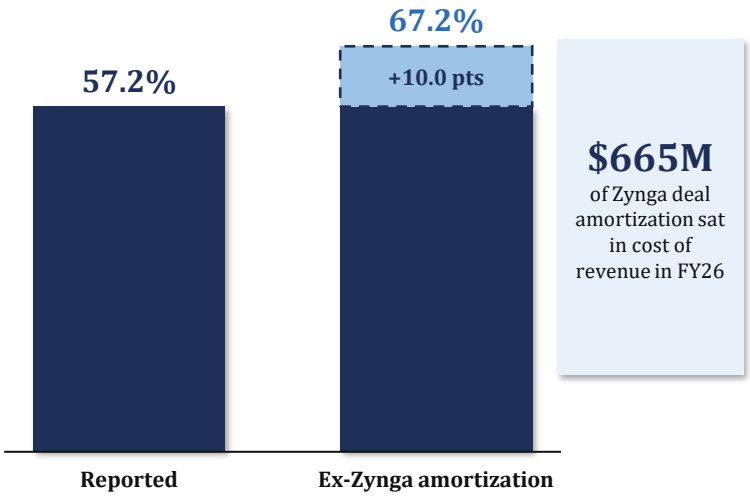
$473M
R&D savings on $11.5B revenue

Costs still rise in dollars; they just grow slower than GTA VI revenue.

Gross Margin Path to 61%

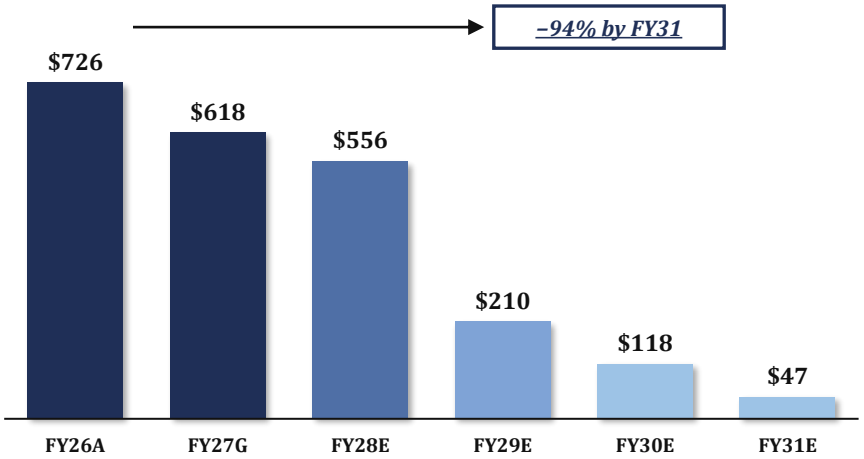
Reported gross margin rises from 57% to 61% as Zynga deal amortization runs off; we do not assume it climbs back to the 67% it would be without that charge

FY26 Gross Margin: Reported vs. Underlying



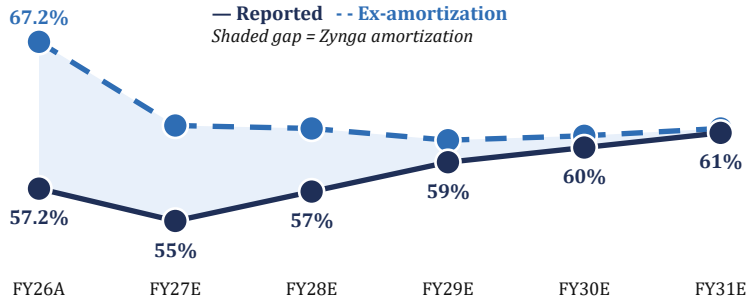
$665M of Zynga deal amortization sat in cost of revenue in FY26

Zynga Amortization Running Off ($M)



FY27 = company guidance; FY28–31 = our model as the acquired intangibles finish amortizing

Gross Margin Path, FY26A–FY31E



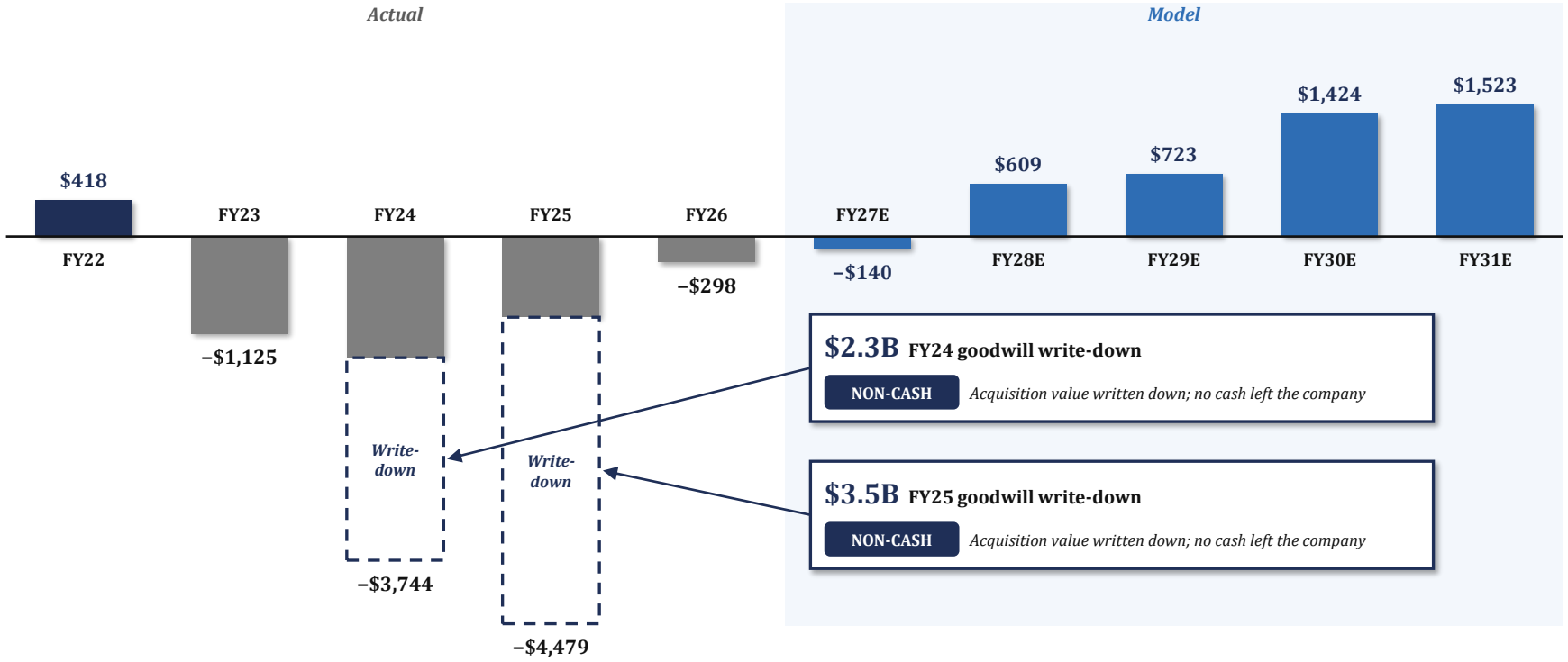
What We Assume

- **The rise is accounting, not pricing:** reported margin gains ~4 pts as the Zynga charge rolls off.
- **Underlying margin resets to ~61%:** it steps down in FY27 in our model and stays flat.
- **No return to 67%:** any recovery toward FY26's underlying level is upside.

Net Income History and Path

Most of the FY24–25 losses were $5.9B of non-cash goodwill write-downs; we model a $140M loss in FY27, a return to profit in FY28 and $1.52B of net income by FY31

Net Income, FY22–FY31E ($M)



Ex write-downs
FY24 and FY25 losses shrink to –$1.4B and –$0.9B

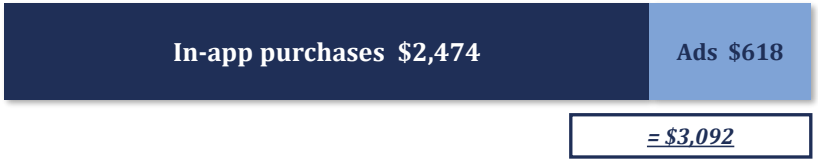
Back to profit in FY28E
–$140M loss in FY27E, then $609M in FY28E, GTA VI's first full year

$1.52B by FY31E
13.2% net margin on $11.5B of revenue

Zynga Deep Dive

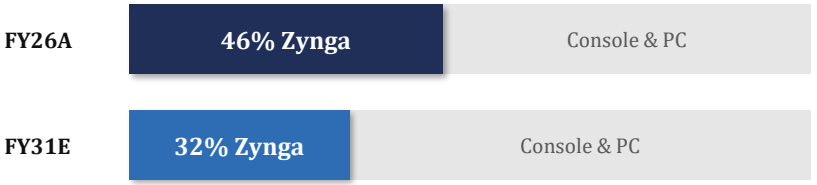
Zynga is 46% of bookings today but shrinks to 32% by FY31 in our model; mobile is slowing now, so we grow it only ~4% a year and exit the whole company at 5.0x

Zynga Revenue, FY26 ($M)



= $3,092

Share of Take-Two bookings



Zynga grows ~4% a year to $3.7B; GTA VI grows everything else faster

The Deal vs. Our Exit (EV / Revenue)

4.7x
Zynga deal, 2022
Paid for a 100% mobile business

vs

5.0x
Our FY31 exit
For a company only 32% mobile

Mobile peers trade at 3.5x today, so Take-Two paid a premium; our exit relies on the console mix, not Zynga.

Top Titles: Latest Trend





+4% **Toon Blast**
Q2, on a record year

+6% **Words With Friends**
Q2

+15% **Top Eleven**
Q1

–10%+ **Color Block Jam**
Q2, past its breakout year

Match Factory!, Empires & Puzzles, Zynga Poker, Toy Blast: largest contributors

~+3% a year since the deal

Current Headwinds

Q1 FY27: mobile –7%
Color Block Jam laps its breakout year

Q2 FY27: mobile –13%
$708M vs. $818M a year earlier

Install costs up ~30%
Paying more to win each new player

Shift to direct web stores
Skips app-store fees: helps margin, not bookings

Sequel Regression: The Data

Across seven blockbuster sequels, the wait explains 72% of how much bigger year one was; the size of the last game explains almost none of it

Seven Sequels, Sorted by Wait

Franchise	Predecessor → sequel	Wait (yrs)	Prior yr-1 (M)	Sequel yr-1 (M)	Multiple
Pokémon	Sword/Shield → Scarlet/Violet	3.0	20.4	23.2	**1.14x**
Smash Bros.	Smash 4 → Ultimate	4.1	10.4	17.7	**1.70x**
God of War	2018 → Ragnarök	4.5	10.0	15.0	**1.50x**
GTA	**GTA IV → GTA V**	**5.4**	**13.0**	**34.0**	**2.62x**
Zelda	Breath of the Wild → Tears of the Kingdom	6.2	10.0	20.6	**2.06x**
Animal Crossing	New Leaf → New Horizons	7.4	7.4	32.6	**4.42x**
Red Dead	**RDR → RDR2**	**8.4**	**8.0**	**26.5**	**3.31x**
GTA VI	**GTA V → GTA VI**	**13.2**	**34.0**	**~80**	**2.35x = a ~5.5-yr wait**

Shaded = Rockstar. GTA VI waited 13.2 years, outside the sample (max 8.4), so we do not extend the line; our 2.35x is what a ~5.5-year wait predicts.

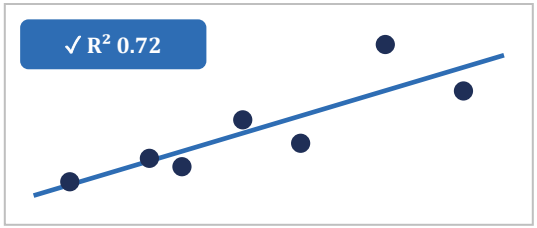
The Fit

R^2 0.72

Multiple = 0.516 × years – 0.48
r 0.85 · p 0.015 · n 7
Each extra year adds ~0.5x

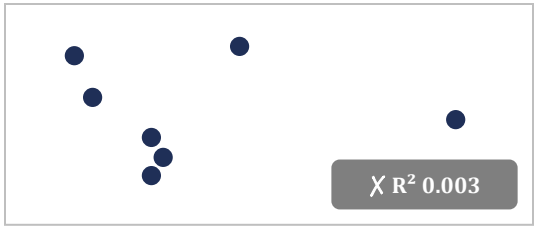
Honesty Check: What Predicts the Sequel?

Wait vs. year-one multiple



Years waited →

Previous game's size vs. sequel



Previous game's year one (M) →

Bookings vs. GAAP Revenue

Bookings run slightly ahead of GAAP revenue because online spending is recognized over time; the gap grows from $105M to $226M a year as GTA VI Online scales

One-Line Definition

Net bookings = what players spent in the period. **GAAP revenue** = the part of that spending earned so far; the rest waits as deferred revenue.

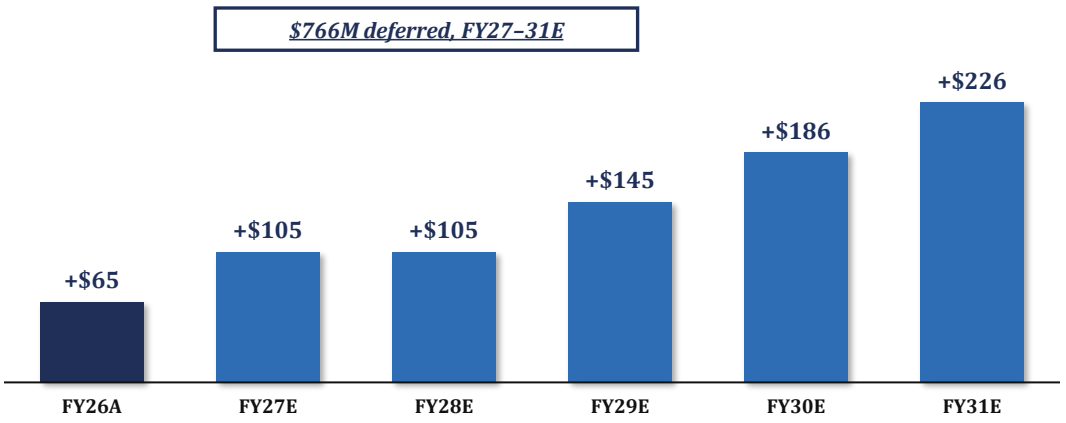
Player spends $100
on a game or Shark Cards

= $100 of bookings

Revenue now — Most of a purchase is recognized at the sale

Deferred: earned later — The online part is earned over how long players keep playing

Bookings Minus Revenue = Deferred Build ($M)



Why It Matters

- **We value on revenue:** the 5.0x exit uses GAAP revenue, the smaller number.
- **Cash comes first:** players pay up front, so deferral helps cash flow.
- **Watch FY27:** the company guides only a ~$20M gap vs. our $105M.

Installed Base and Console Prices

Our FY27 needs 1 in 3 of today's 135M consoles to buy GTA VI in 4½ months, vs. 1 in 5 for GTA V in its first year; pricier consoles make that harder

Can Today's Consoles Support Our Numbers?



GTA V (2013)

~160M consoles

PS3 + Xbox 360

34M in year one

1 in 5

consoles buy it



GTA VI (our FY27)

~135M consoles

PS5 + Xbox Series (est.)

42M by Mar 31, 2027

1 in 3

consoles buy it

~1.5x GTA V's rate, in less than half the time

Why 1 in 3 Is Reachable

Long wait. Fans have waited 13 years since GTA V, longer than any sequel in our study.

Strong preorders. Take-Two says preorders are running far ahead of its own plan.

Fast-selling franchise. GTA V passed $1B in sales in its first three days.

What Could Get in the Way

Pricier consoles. A PS5 now costs $650 (was $500) and an Xbox Series X $800 (was $500).

Slower console sales. Sony shipped 2.6M PS5s last quarter, 0.9M fewer than a year ago.

Our 180M needs new consoles. By FY31 we sell more copies than the 135M consoles out today, so we also need next-gen buyers (Xbox 2027, PS6 ~2028–29) and repeat purchases.

Ownership and Management

Big index funds and Saudi Arabia's PIF own ~31% of Take-Two; Zelnick has run it since 2007 and plans to spend GTA VI cash on studios, not buybacks

Who Owns Take-Two



Vanguard	7.0%
BlackRock	6.8%
State Street	6.4%
Saudi PIF	6.1%
JPMorgan	5.0%

Top 5 ≈ 31%

Each square = 1% of shares. **PIF also led the $55B take-private of EA,** so a big gaming buyer already owns 6%.

Strauss Zelnick's Track Record



Chairman since 2007, CEO since 2011

Brought in by a 2007 shareholder revolt led by OppenheimerFunds; runs Take-Two through his firm ZMC.

2013	2018	2022	2024	2026
GTA V	RDR2	Zynga, $12.7B	Gearbox	GTA VI

Honest scorecard: $100 in TTWO in Mar 2021 was worth $112 by Mar 2026, vs. $137 for tech peers. GTA VI is the catch-up.

Capital Allocation After GTA VI

No buybacks

Last one was $200M in FY22. We model none, so any buyback is upside.

M&A: creative studios

Zelnick: investors "can expect inorganic growth as well," targeting "creative studios only."

$8.5B net cash by FY31

Cash builds with no buybacks or deals in our model, giving room for both.

What We'll Monitor and When We'd Sell

We sell if GTA VI is under 110M copies by FY29 or fewer than 1 in 4 buyers are still playing in year two; both sit below our bear case (116M copies; 30% of buyers playing in year two)

Our Two Sell Triggers



Copies by FY29

Base 154M · bear 116M

each icon = 10M copies



110M

sell line



Players in year two

Base: 4.5 in 10 still play

Bear: 3 in 10



25%

sell line

What We Watch Each Quarter

- **Copies sold:** Take-Two's sales updates. Base: 102M by FY28.
- **Players and spending:** recurrent spending growth and player trackers. Base: ~$47 of Online bookings per monthly player in FY28.
- **Zynga bookings:** reported every quarter. Base: $3.1B in FY28.

When We Check

- **Feb 2027** First GTA VI sales in Q3 results
- **May 2027** FY27 results and FY28 guidance
- **Nov 2027** One full year of Online players
- **May 2029** FY29 results: the 110M test

Latest Earnings: Q2 FY27 (Quarter Ended Sep 30, 2026)

Q2 came in slightly light on NBA 2K and mobile, but GTA VI preorders are "far in excess" of plan and the reiterated guide puts ~$3.4B of bookings in the launch quarter

Net bookings $1.60B

–18% vs. last year; just under the $1.62–1.67B guide



Recurrent spending	**–9%**	vs. –5% guide; 81% of bookings
GAAP net loss	**–$54M**	vs. –$134M a year ago (smaller loss)
Operating expenses	**–9%**	to $978M, keeping the loss small
Digital share	**98%**	of bookings were digital

Console $743M | **Mobile** $708M | **PC**

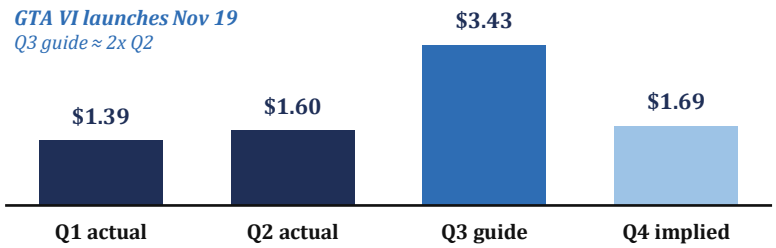


GTA series: Recurrent spending up double digits (heist update, GTA+); GTA V at ~235M units.

NBA 2K27: 2nd-best launch in series history, 4M+ units, but below plan; main reason for the miss.

Mobile: Color Block Jam down double digits from its peak; Toon Blast +4%, Words With Friends +6%. More declines expected.

FY27 Bookings by Quarter ($B)



FY27 guide reiterated: $8.0–8.2B bookings, EPS $0.57–0.75, operating cash flow >$1B, capex ~$290M.

What Management Said About GTA VI

> *"Preorders for Grand Theft Auto VI are tracking far in excess of our initial expectations."*
> — Strauss Zelnick, CEO

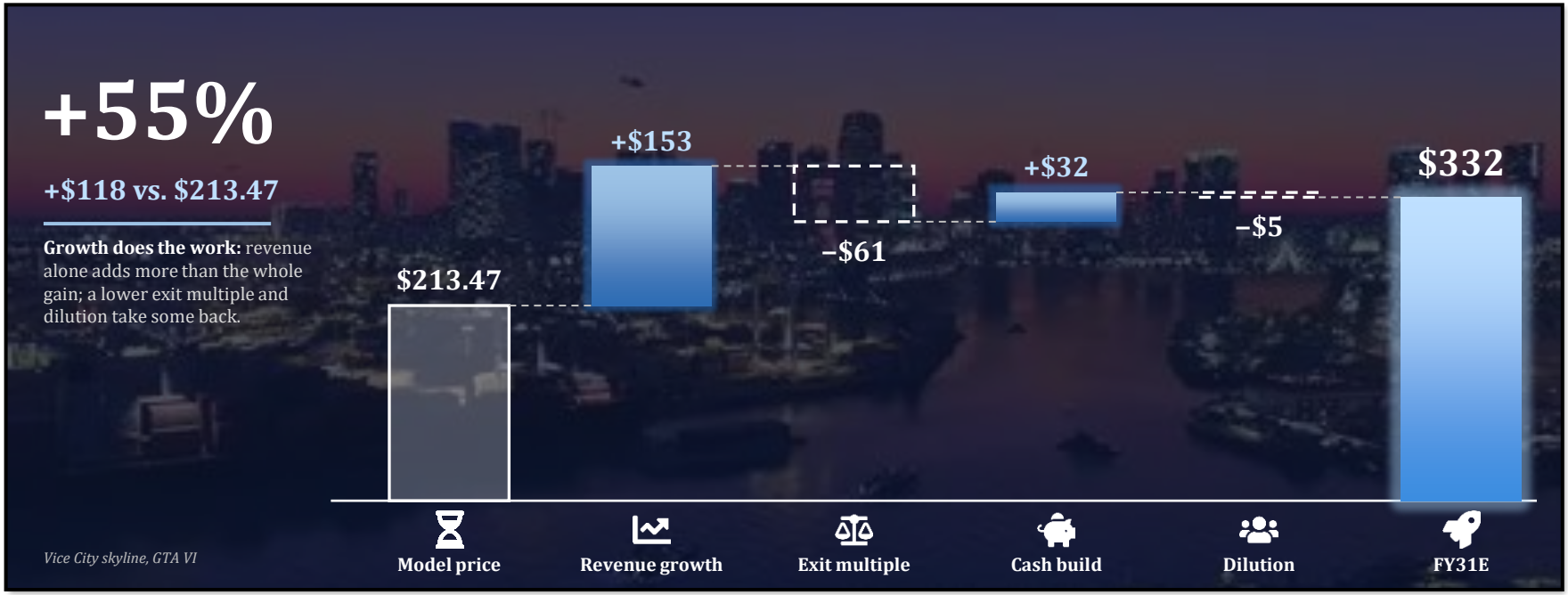
> *"There is really no need to update numbers right now."*
> — Zelnick, on not raising guidance before launch

Launch Nov 19 | **Q3 opex +21% (marketing)** | **Net cash by FY-end**

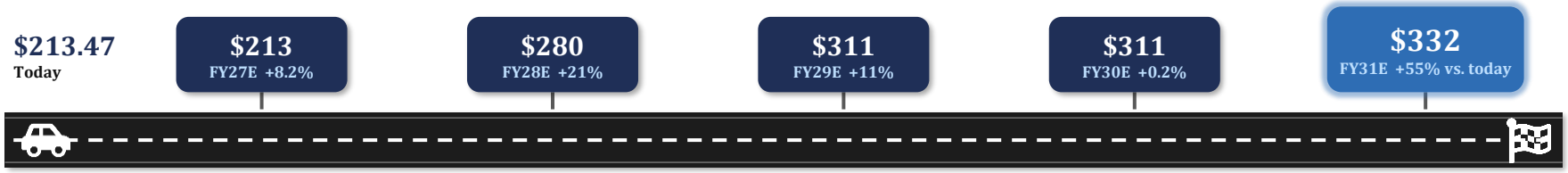
Value Creation Bridge to $332 (FY31E)

Revenue growth adds $153 a share and the lower exit multiple takes back $61 in the model's bridge from its $213.47 reference price, today's model price; the $331.89 FY31E exit is +55%

Where the Model's $118 a Share Comes From



The Road to $332: Implied Share Price

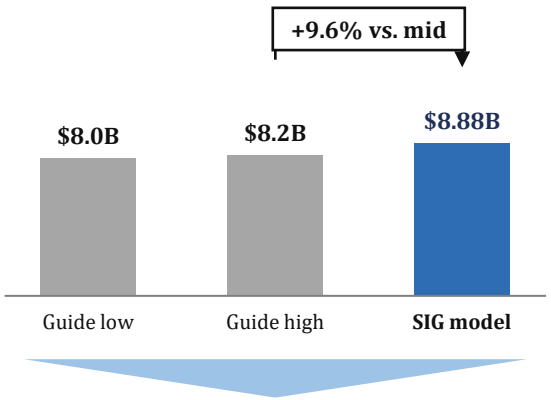


FY27: Our Model vs. Guidance

We model FY27 bookings 9.6% above guidance but a $140M net loss against guided profit, so the case rests on sales, not a profit beat. Q2 missed, yet GTA VI preorders are running "far in excess" of plan

A Bookings: Above the Guide

FY27E net bookings



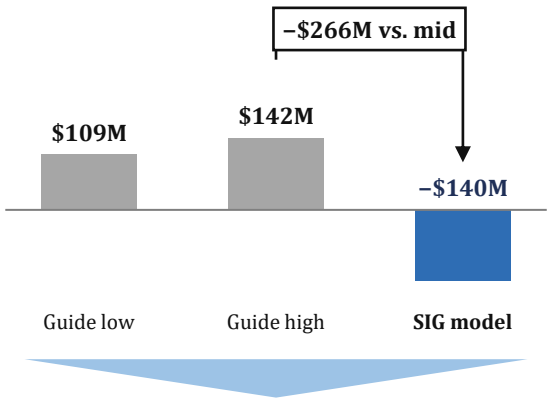
Why We Are Above

- **42M GTA VI copies** by Mar 31 vs. ~34M implied by the guide.
- **Guide is stale:** set in May, before preorders opened on Jun 25.

Guide held after Q2: management wants to see launch sales before raising it.

B Net Income: Below the Guide

FY27E GAAP net income



Why We Are Below

- **Heavier launch marketing:** SG&A at 40% of FY27E revenue.
- **Development keeps running:** R&D at 14% of revenue as 2K and Zynga keep shipping.

Conservative by design: our upside is in sales, so the case does not need a year-one margin beat.

C Q2 FY27 Actuals

November 9, 2026

Miss	**Net bookings $1.60B:** below the $1.62–1.67B guide; –18% YoY.
Beat	**Adj. EPS $1.00:** vs. $0.90 consensus.
Next	**Q3 guide $3.35–3.5B:** the GTA VI launch quarter.
Held	**FY27 guide held** at $8.0–8.2B; revenue guide raised.

1 Key Signal: GTA VI Preorders

"Pre-orders are tracking far in excess of our initial expectations." **– Strauss Zelnick, CEO**

Stock +8% to $224.64 the next day

Cash Flow Bridge, FY27E–FY31E

Of $12.0B of FY27–31E EBITDA, $9.15B becomes levered FCF (operating cash flow minus PP&E capex) and $5.7B becomes unlevered FCFF; the two measures are not interchangeable

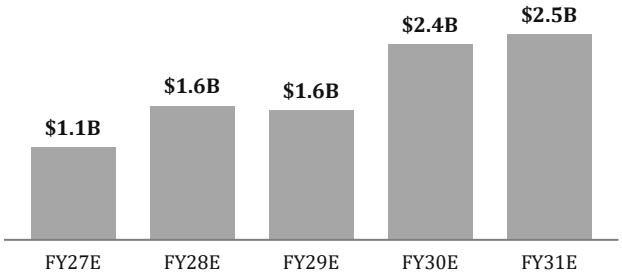
Where the $12.0B of EBITDA Goes

EBITDA $12.0B

Reinvested and taxes: 57¢ — *Kept: 47¢*

Capitalized Software	Capex	Taxes	Free Cash Flow
$4.6B · 38¢	**$1.4B · 11¢**	**$0.9B · 7¢**	**$5.7B · 47¢**
• Building GTA VI, 2K and Zynga games	• Servers, studios and offices	• Unlevered tax on operating profit	• 43¢ kept from EBITDA, plus $0.5B (4¢) from working capital

OCF Minus PP&E Capex: $9.15B



Why They Differ: $3.5B

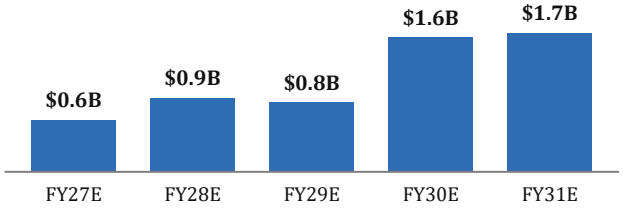
$3.1B stock comp added back

$0.3B after-tax net interest income

$0.1B other operating items

Our DCF uses $5.7B
stock comp counted as a cost

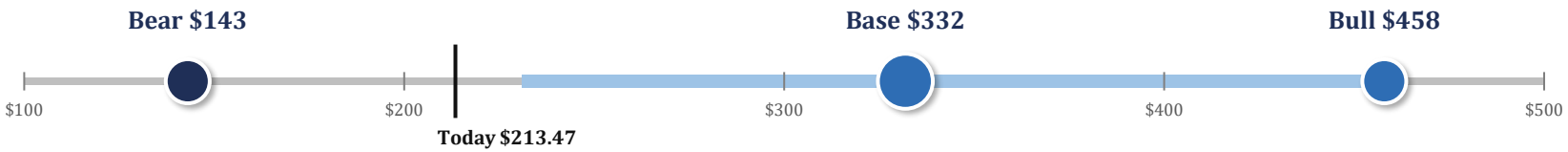
Unlevered FCFF: $5.7B



Bear / Base / Bull: What Changes and What It Gives

From $213.47, the bear case loses 33%, the base case gains 55% and the bull case 114%

FY31E Price per Share



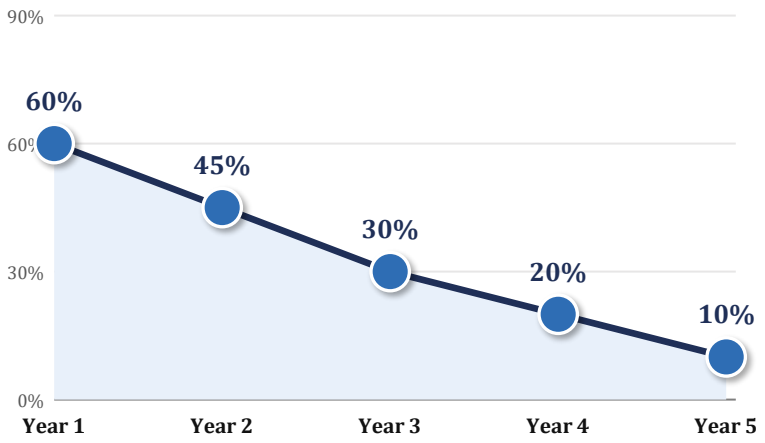
	Bear Case	Base Case	Bull Case
GTA VI copies *by FY31E, console + PC*	**178M** PC 34M	**233M** PC 52M	**253M** PC 58M
Pricing *$99.99 edition mix at launch*	**27%** 27% off list by FY31	**50%** 18% off list by FY31	**58%** 15% off list by FY31
GTA VI Online *spend per player, FY28E*	**$25** Live 40% of FY28; 4.5% GTA+	**$42** Live all of FY28; 7% GTA+	**$50** Live all of FY28; 10% GTA+
Rest of portfolio *Zynga mobile growth, FY31E*	**+4%** 2K sports +2% a year	**+10%** 2K sports +4% a year	**+12%** 2K sports +5% a year
Exit multiple *FY31E EV / revenue*	**3.0x** Below 4.3x peer median	**5.0x** Below 6.3x console/PC peers	**5.3x** Still below console/PC peers
FY31E price *upside vs. $213.47*	**$143 –33%**	**$332 +55%**	**$458 +114%**

All three cases use the same cost ratios (FY31E EBITDA margin 24.5–25.5%); only revenue drivers and the exit multiple change. Scenario outputs recalculated from the revised model (Revenue Playbook selector), 3-Statement selector held at Base; returns measured from $213.47.

GTA VI Online Build: Players, Payers and Spend

In FY31E, 57.9M monthly players, 20% of them paying ~$19.58 a month, give $2.7B of microtransactions; GTA+ adds $0.39B for $3.11B of Online bookings

Base Case: Share of Buyers Still Playing



Years since a player bought GTA VI

FY31E: From Owners to Paying Players

219.6M unique GTA VI owners

57.9M **Monthly players:** 26.4% of owners play each month

Paying players: 11.6M, 20% of monthly players (analyst assumption)

Owners count each person once: 233M copies at ~1.06 copies per owner give 219.6M owners.

The FY31 Check

11.6M paying players (57.9M MAU × 20%) × **$235** per payer a year ($19.58 a month × 12) = **$2.72B** microtransactions (Shark Cards & items) + **$0.39B** GTA+ subscriptions = **$3.11B** GTA VI Online, FY31E

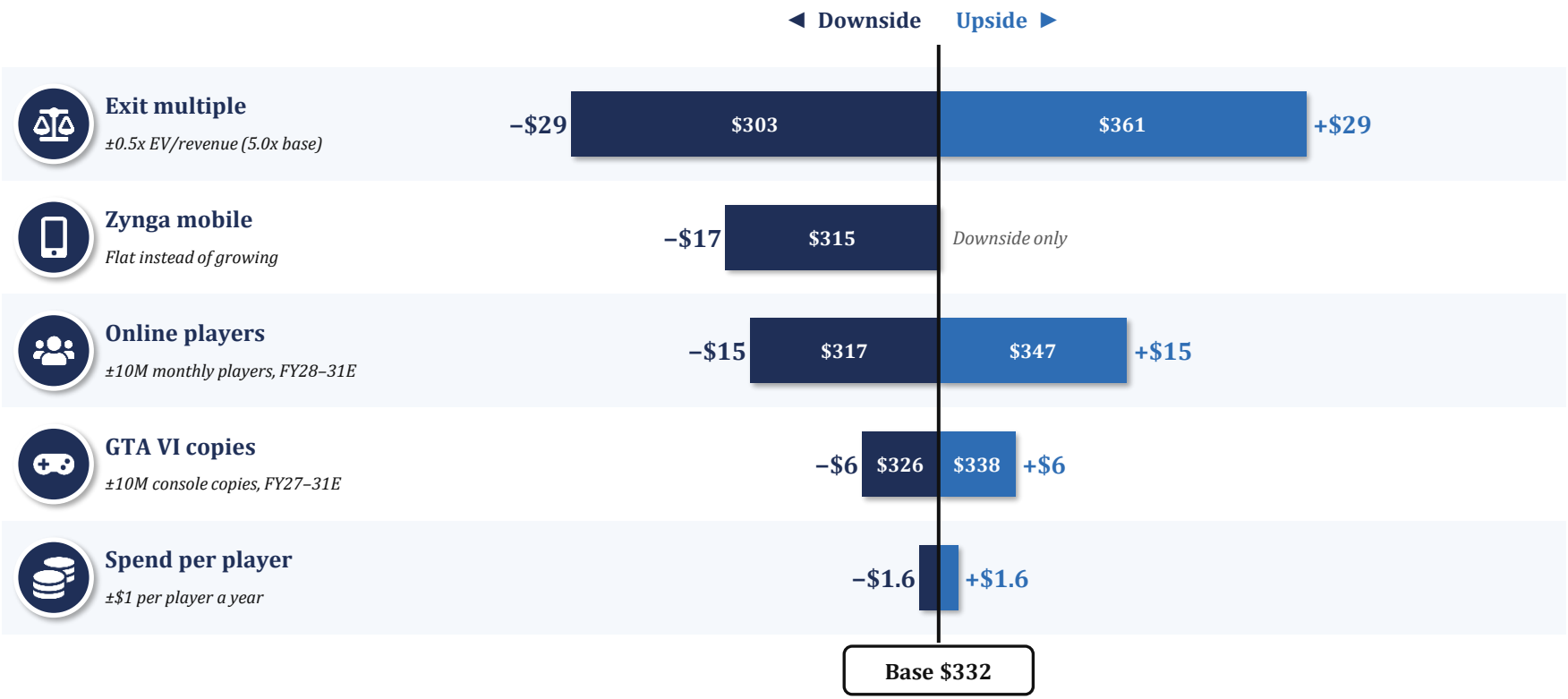
FY28E $1.65B · 35.4M MAU — **FY29E** $2.56B · 51.9M MAU — **FY30E** $3.04B · 58.5M MAU — **FY31E** $3.11B · 57.9M MAU

The 20% paying share is an analyst assumption; spend per payer ($19.58 a month) is derived from modeled FY31E microtransactions ($2.720B). Online goes live in FY28; none is modeled in FY27.

What Drives the Share Price

The exit multiple matters most; even if all five inputs miss at once, the FY31E price is ~$268, still 26% above today

FY31E Price per Share vs. $332 Base: What If We're Wrong?



If all five miss
at the same time

$332	–	$64	=	$268	→	+16%
base		all five downsides		FY31E price		vs. $213.47 today

How Fast Big Games Sell

Every major launch below sold faster than our model needs from GTA VI: 42M copies in its first 133 days, or 0.32M a day

Copies Sold Right After Launch, Fastest First



GTA V

11.2M
in 1 day

11.2M a day



Zelda: Tears of the Kingdom

10M
in 3 days

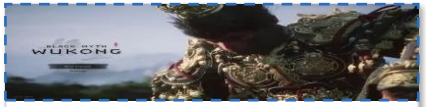
3.3M a day



Pokémon Scarlet / Violet

10M
in 3 days

3.3M a day



Black Myth: Wukong

10M
in 3 days

3.3M a day



Monster Hunter Wilds

8M
in 3 days

2.7M a day



Battlefield 6

7M
in 3 days

2.3M a day



Red Dead Redemption 2

17M
in 8 days

2.1M a day



Resident Evil Requiem

5M
in 5 days

1.0M a day



Hogwarts Legacy

12M
in 2 weeks

0.9M a day



Elden Ring

12M
in 18 days

0.7M a day



Spider-Man 2

5M
in 11 days

0.5M a day



GTA VI (our model)

42M
in 133 days

0.32M a day

Even GTA V's own pace beats it: 29M copies in its first 6 weeks (0.69M a day) is more than 2x what GTA VI needs, after a 13-year wait instead of 5.

Navy line = Rockstar game. Sales are fastest in the first days, so short windows show higher daily paces.

Sensitivity Tables

Exit Price per Share: Scenario × FY31E Exit EV/Revenue

FY31E price = (exit multiple × FY31E revenue + FY31E net cash) ÷ FY31E diluted shares

Scenario	4.0x	4.5x	5.0x	5.5x	6.0x	Scenario's own exit
Bear	$180	$198	$217	$235	$253	**3.0x → $143**
Base	$274	$303	$332	$361	$390	**5.0x → $332**
Bull	$358	$396	$435	$473	$512	**5.3x → $458**

MOIC vs. Today's $213.47 Model Price

Held from Nov 16, 2026 to the FY31E exit (Mar 31, 2031, ~4.4 years); no dividends

Scenario	4.0x	4.5x	5.0x	5.5x	6.0x	Scenario's own exit
Bear	0.84x	0.93x	1.01x	1.10x	1.19x	**3.0x → 0.67x**
Base	1.28x	1.42x	1.55x	1.69x	1.83x	**5.0x → 1.56x**
Bull	1.68x	1.86x	2.04x	2.22x	2.40x	**5.3x → 2.15x**

Sources: SIG Technology TTWO financial model (revised Nov 2026). Each scenario's FY31E revenue, net cash and diluted shares run through the workbook's exit-price formula at each multiple; returns measured from today's $213.47 model price.

Sensitivity Tables

Operating & Valuation Sensitivity Analysis

$ in millions except per share; FY31 exit at Returns!Q71 method; returns vs $231 presentation reference price.

Key inputs

Presentation reference price ($)	$213.47	
Entry date (Returns!D4)	11/17/2026	
Exit date (FY31 year-end)	3/31/2031	
Hold period (years)	4.37	
Live Base FY31 exit price ($)	$332.59	
Snapshot Base price / live check	$331.89	Re-run

Summary: FY31 exit share price by sensitivity

Variable	Down	Base	Up	Down $	Base $	Up $	Range $
GTA VI unit sales	−10%	Base	+10%	$318.05	$332.59	$345.73	$27.68
Online VC spend / MAU	−20%	$42–47	+20%	$317.20	$332.59	$346.58	$29.38
Online retention curve	−20%	60%→10%	+20%	$315.12	$332.59	$348.67	$33.55
EBITDA margin (CoR ±2pp)	~23%	~25%	~27%	$327.71	$332.59	$336.08	$8.37
FY31 exit EV/Revenue	4.5x	5.0x	5.5x	$302.84	$332.59	$360.96	$58.12
Combined Downside Stress Test	All 5	Base		**$263.16**	$332.59		($69.42)

Return vs $213 reference price

Variable	Down %	Base %	Up %	Δ Down
GTA VI unit sales	49.0%	55.8%	62.0%	(4.4%)
Online VC spend / MAU	48.6%	55.8%	62.4%	(4.6%)
Online retention curve	47.6%	55.8%	63.3%	(5.3%)
EBITDA margin (CoR ±2pp)	53.5%	55.8%	57.4%	(1.5%)
FY31 exit EV/Revenue	41.9%	55.8%	69.1%	(8.9%)
Combined Downside Stress Test	**23.3%**	**55.8%**	—	**(20.9%)**

Sources: SIG Technology TTWO financial model (revised Nov 2026). Each scenario's FY31E revenue, net cash and diluted shares run through the workbook's exit-price formula at each multiple; returns measured from today's $213.47 model price.

Sensitivity Tables

Sensitivity: GTA VI unit sales (console + PC)

FY31 metric	Downside	Base	Upside
Test input	×0.90	Base	×1.10
GTA VI cumulative copies FY27–FY31 (M)	209.43	234.00	255.97
FY31 GTA VI Online MAU (M)	52.09	58.19	63.66
FY31 GTA VI Online bookings	$2,798	$3,125	$3,419
FY31 total net bookings	$11,264	$11,792	$12,264
FY31 GAAP revenue	$11,038	$11,566	$12,038
FY31 EBITDA	$2,754	$2,889	$3,009
FY31 EBITDA margin	24.9%	25.0%	25.0%
FY31 free cash flow	$2,387	$2,489	$2,580
FY31 net debt / (net cash)	($8,256)	($8,554)	($8,820)
FY31 exit EV/Revenue	5.0x	5.0x	5.0x
FY31 exit share price	**$318.05**	**$332.59**	**$345.73**
Upside / (downside) vs $231	49.0%	55.8%	62.0%
Δ exit price vs Base	(4.4%)	–	4.0%

Sensitivity: Online VC spend per MAU

FY31 metric	Downside	Base	Upside
Test input	×0.80	Base	×1.20
GTA VI cumulative copies FY27–FY31 (M)	232.70	234.00	232.70
FY31 GTA VI Online MAU (M)	57.87	58.19	57.87
FY31 GTA VI Online bookings	$2,564	$3,125	$3,653
FY31 total net bookings	$11,220	$11,792	$12,308
FY31 GAAP revenue	$10,994	$11,566	$12,082
FY31 EBITDA	$2,754	$2,889	$3,008
FY31 EBITDA margin	25.1%	25.0%	24.9%
FY31 free cash flow	$2,391	$2,489	$2,576
FY31 net debt / (net cash)	($8,305)	($8,554)	($8,770)
FY31 exit EV/Revenue	5.0x	5.0x	5.0x
FY31 exit share price	**$317.20**	**$332.59**	**$346.58**
Upside / (downside) vs $231	48.6%	55.8%	62.4%
Δ exit price vs Base	(4.6%)	–	4.2%

Sources: SIG Technology TTWO financial model (revised Nov 2026). Each scenario's FY31E revenue, net cash and diluted shares run through the workbook's exit-price formula at each multiple; returns measured from today's $213.47 model price.

Sensitivity Tables

Sensitivity: Online player retention curve

FY31 metric	Downside	Base	Upside
Test input	×0.80	Base	×1.20
GTA VI cumulative copies FY27–FY31 (M)	232.70	234.00	232.70
FY31 GTA VI Online MAU (M)	46.30	58.19	69.45
FY31 GTA VI Online bookings	$2,487	$3,125	$3,730
FY31 total net bookings	$11,142	$11,792	$12,386
FY31 GAAP revenue	$10,916	$11,566	$12,160
FY31 EBITDA	$2,737	$2,889	$3,026
FY31 EBITDA margin	25.1%	25.0%	24.9%
FY31 free cash flow	$2,379	$2,489	$2,588
FY31 net debt / (net cash)	($8,275)	($8,554)	($8,801)
FY31 exit EV/Revenue	5.0x	5.0x	5.0x
FY31 exit share price	**$315.12**	**$332.59**	**$348.67**
Upside / (downside) vs $213	47.6%	55.8%	63.3%
Δ exit price vs Base	(5.3%)	–	4.8%

Sensitivity: Operating margin (cost of revenue ±2pp)

FY31 metric	Downside	Base	Upside
Test input	+2.0pp	Base	−2.0pp
GTA VI cumulative copies FY27–FY31 (M)	232.70	234.00	232.70
FY31 GTA VI Online MAU (M)	57.87	58.19	57.87
FY31 GTA VI Online bookings	$3,108	$3,125	$3,108
FY31 total net bookings	$11,764	$11,792	$11,764
FY31 GAAP revenue	$11,538	$11,566	$11,538
FY31 EBITDA	$2,650	$2,889	$3,112
FY31 EBITDA margin	23.0%	25.0%	27.0%
FY31 free cash flow	$2,275	$2,489	$2,692
FY31 net debt / (net cash)	($7,722)	($8,554)	($9,354)
FY31 exit EV/Revenue	5.0x	5.0x	5.0x
FY31 exit share price	**$327.71**	**$332.59**	**$336.08**
Upside / (downside) vs $213	53.5%	55.8%	57.4%
Δ exit price vs Base	(1.5%)	–	1.0%

Sources: SIG Technology TTWO financial model (revised Nov 2026). Each scenario's FY31E revenue, net cash and diluted shares run through the workbook's exit-price formula at each multiple; returns measured from today's $213.47 model price.

Sensitivity Tables

Sensitivity: FY31 exit EV/Revenue

FY31 metric	Downside	Base	Upside
Test input	4.5x	5.0x	5.5x
GTA VI cumulative copies FY27–FY31 (M)	232.70	234.00	232.70
FY31 GTA VI Online MAU (M)	57.87	58.19	57.87
FY31 GTA VI Online bookings	$3,108	$3,125	$3,108
FY31 total net bookings	$11,764	$11,792	$11,764
FY31 GAAP revenue	$11,538	$11,566	$11,538
FY31 EBITDA	$2,881	$2,889	$2,881
FY31 EBITDA margin	25.0%	25.0%	25.0%
FY31 free cash flow	$2,484	$2,489	$2,484
FY31 net debt / (net cash)	($8,538)	($8,554)	($8,538)
FY31 exit EV/Revenue	4.5x	5.0x	5.5x
FY31 exit share price	**$302.84**	**$332.59**	**$360.96**
Upside / (downside) vs $213	41.9%	55.8%	69.1%
Δ exit price vs Base	(8.9%)	–	8.5%

Combined Downside Stress Test

FY31 metric	Stress	Base
Test input	All 5 down	Base
GTA VI cumulative copies FY27–FY31 (M)	209.43	234.00
FY31 GTA VI Online MAU (M)	41.67	58.19
FY31 GTA VI Online bookings	$1,846	$3,125
FY31 total net bookings	$10,313	$11,792
FY31 GAAP revenue	$10,087	$11,566
FY31 EBITDA	$2,330	$2,889
FY31 EBITDA margin	23.1%	25.0%
FY31 free cash flow	$2,043	$2,489
FY31 net debt / (net cash)	($7,114)	($8,554)
FY31 exit EV/Revenue	4.5x	5.0x
FY31 exit share price	**$263.16**	**$332.59**
Upside / (downside) vs $213	23.3%	55.8%
Δ exit price vs Base	(20.9%)	–

Sources: SIG Technology TTWO financial model (revised Nov 2026). Each scenario's FY31E revenue, net cash and diluted shares run through the workbook's exit-price formula at each multiple; returns measured from today's $213.47 model price.

Sensitivity Tables

Matrix A: GTA VI units × FY31 exit EV/Revenue				Upside / (downside) vs $231		
FY31 exit price ($)	**4.5x**	**5.0x**	**5.5x**	**4.5x**	**5.0x**	**5.5x**
90% units (209.43M)	$290.25	$318.05	$345.87	36.0%	49.0%	62.0%
100% units (232.70M)	$302.84	$332.59	$360.96	41.9%	55.8%	69.1%
110% units (255.97M)	$315.43	$345.73	$376.05	47.8%	62.0%	76.2%

Matrix B: Online retention × VC spend per MAU				Upside / (downside) vs $231		
FY31 exit price ($)	**80% spend**	**100% spend**	**120% spend**	**80% spend**	**100% spend**	**120% spend**
80% retention	$303.36	$315.12	$326.87	42.1%	47.6%	53.1%
100% retention	$317.20	$332.59	$346.58	48.6%	55.8%	62.4%
120% retention	$331.04	$348.67	$366.29	55.1%	63.3%	71.6%

Sources: SIG Technology TTWO financial model (revised Nov 2026). Each scenario's FY31E revenue, net cash and diluted shares run through the workbook's exit-price formula at each multiple; returns measured from today's $213.47 model price.

Revenue Build Model

SCENARIO DRIVERS						
GTA VI console units sold (sell-in)	M units					
Bear		35.0	32.0	28.0	26.0	23.0
Base		42.0	40.9	36.7	31.4	29.3
Bull		46.0	42.0	40.0	35.0	32.0
Ultimate Edition mix	% of units					
Bear		27.0%	22.0%	18.0%	14.0%	13.0%
Base		50.0%	40.0%	35.0%	30.0%	25.0%
Bull		58.0%	45.0%	40.0%	35.0%	30.0%
Price realization: discount vs list	% off list					
Bear		0.0%	10.0%	14.0%	22.0%	27.0%
Base		0.0%	3.0%	5.0%	12.0%	18.0%
Bull		0.0%	3.0%	5.0%	10.0%	15.0%
GTA VI PC units sold	M units					
Bear		0.0	10.0	11.0	8.0	5.0
Base		0.0	18.9	15.7	10.5	7.3
Bull		0.0	20.0	17.0	12.0	9.0
GTA VI PC price realization: discount vs list	% off list					
Bear		0.0%	0.0%	5.0%	15.0%	25.0%
Base		0.0%	0.0%	0.0%	10.0%	20.0%
Bull		0.0%	0.0%	0.0%	5.0%	15.0%
GTA VI PC Ultimate Edition mix ($99.99 SKU)	% of units					
Bear		20.0%	20.0%	20.0%	20.0%	20.0%
Base		25.0%	25.0%	25.0%	25.0%	25.0%
Bull		30.0%	30.0%	30.0%	30.0%	30.0%
GTA VI Online: % of fiscal year live	% of year					
Bear		0.0%	40.0%	100.0%	100.0%	100.0%
Base		0.0%	100.0%	100.0%	100.0%	100.0%
Bull		0.0%	100.0%	100.0%	100.0%	100.0%
Shark Card / VC spend per MAU	$ / MAU / yr					
Bear		0.0	25.0	26.0	27.0	28.0
Base		0.0	42.0	44.0	46.0	47.0
Bull		0.0	50.0	52.0	54.0	55.0



Sources: Take-Two FY2026 Form 10-K; SIG Technology TTWO financial model, Revenue Playbook, Base case (revised Nov 2026).

Revenue Build Model

Player Spending Assumptions						
Paying Player Percentage (%)	% of MAU					
Bear		0.0%	14.0%	14.0%	14.0%	14.0%
Base		0.0%	20.0%	20.0%	20.0%	20.0%
Bull		0.0%	23.0%	23.0%	23.0%	23.0%
Average Monthly Spending per Paying Player ($)	$ / payer / month					
Bear		-	$14.88	$15.48	$16.07	$16.67
Base		-	$17.50	$18.33	$19.17	$19.58
Bull		-	$18.12	$18.84	$19.57	$19.93
GTA+ attach rate (subs / MAU)	% of MAU					
Bear		0.0%	4.5%	5.0%	5.5%	6.0%
Base		0.0%	7.0%	8.0%	9.0%	10.0%
Bull		0.0%	10.0%	12.0%	13.0%	14.0%
Legacy GTA Online (GTA V) growth	% YoY					
Bear		0.0%	-55.0%	-60.0%	-60.0%	-60.0%
Base		5.0%	-45.0%	-50.0%	-50.0%	-50.0%
Bull		10.0%	-35.0%	-40.0%	-40.0%	-40.0%
2K sports annuals growth	% YoY					
Bear		3.0%	2.0%	2.0%	2.0%	2.0%
Base		5.0%	4.0%	4.0%	4.0%	4.0%
Bull		7.0%	6.0%	5.0%	5.0%	5.0%
2K core / pipeline titles growth	% YoY					
Bear		-40.0%	10.0%	3.0%	-5.0%	0.0%
Base		-35.0%	25.0%	15.0%	0.0%	3.0%
Bull		-30.0%	35.0%	20.0%	5.0%	5.0%
Zynga In-App Purchases growth	% YoY					
Bear		-6.0%	-3.0%	0.0%	2.0%	4.0%
Base		-3.0%	3.0%	5.0%	7.0%	10.0%
Bull		-2.0%	4.0%	6.0%	8.0%	12.0%
Zynga Advertising growth	% YoY					
Bear		-8.0%	-4.0%	-1.0%	1.0%	2.0%
Base		-5.0%	2.0%	3.0%	4.0%	5.0%
Bull		0.0%	4.0%	6.0%	7.0%	8.0%

Sources: Take-Two FY2026 Form 10-K; SIG Technology TTWO financial model, Revenue Playbook, Base case (revised Nov 2026).

Revenue Build Model

FIXED INPUTS (not scenario-dependent)		
Input	**Unit**	**Value**
GTA VI Standard Edition price	$	80.0
GTA VI Ultimate Edition price	$	100.0
Console platform / retail fee	% of gross	30.0%
PC blended store fee	% of gross	8.0%
GTA+ monthly price	$ / month	8.0
GTA+ platform fee	% of gross	30.0%
Legacy GTA Online bookings, FY26A	$M	515.0
Rockstar total net bookings, FY26A	$M	1075.0
2K total net bookings, FY26A	$M	2554.0
of which: sports annuals, FY26A	$M	1600.0
Zynga net bookings, FY26A	$M	3092.0
Total net bookings, FY26A	$M	6721.0
GAAP net revenue, FY26A	$M	6656.4
Zynga advertising mix, FY26A	% of Zynga	20.0%

ROCKSTAR BACK-CATALOG DRIVERS						
GTA V catalog units sold	M units					
Bear		8.0	3.5	2.5	2.0	1.5
Base		10.0	5.0	4.0	3.0	2.5
Bull		12.0	7.0	5.5	4.5	3.5
RDR2 catalog units sold	M units					
Bear		7.0	5.0	4.0	3.0	2.5
Base		8.0	7.0	6.0	5.0	4.0
Bull		9.0	8.5	7.5	6.5	5.5
Catalog net revenue per unit erosion	% vs FY26A					
Bear		5.0%	15.0%	20.0%	25.0%	30.0%
Base		0.0%	5.0%	10.0%	15.0%	20.0%
Bull		0.0%	0.0%	5.0%	10.0%	15.0%
GTA V units sold, FY26A	M units	15.0				
RDR2 units sold, FY26A	M units	10.0				
Catalog net revenue per unit, FY26A	$ / unit	22.4				

Sources: Take-Two FY2026 Form 10-K; SIG Technology TTWO financial model, Revenue Playbook, Base case (revised Nov 2026).

Revenue Build Model

BOTTOM-UP REVENUE BUILD							
GTA VI console units sold	M units		42.0	41.0	37.0	31.0	30.0
Ultimate Edition mix	%		0.5	0.4	0.4	0.3	0.3
Console gross list ASP	$ / unit		90.0	88.0	87.0	86.0	85.0
Console price discount	%		0.0	0.0	0.1	0.1	0.2
Console realized gross ASP	$ / unit		90.0	85.4	82.6	75.7	69.7
Console platform fee	%		0.3	0.3	0.3	0.3	0.3
Console net ASP	$ / unit		63.0	59.7	57.8	53.0	48.8
GTA VI console full-game bookings	$M		2645.7	2449.6	2140.4	1642.1	1463.5
GTA VI PC units sold	M units		0.0	19.0	16.0	11.0	7.0
PC gross list ASP	$ / unit		85.0	85.0	85.0	85.0	85.0
PC price discount	%		0.0	0.0	0.0	0.1	0.2
PC net ASP	$ / unit		78.2	78.2	78.2	70.4	62.6
GTA VI PC full-game bookings	$M		0.0	1485.6	1251.1	774.1	437.9
New GTA VI owners (console + PC)	M		42.0	60.0	53.0	42.0	37.0
Cumulative installed base (end of year)	M	0.0	42.0	102.0	155.0	197.0	234.0
Average installed base	M		21.0	72.0	128.5	176.0	215.5

Sources: Take-Two FY2026 Form 10-K; SIG Technology TTWO financial model, Revenue Playbook, Base case (revised Nov 2026).

Revenue Build Model

GTA VI Online: % of fiscal year live	%		0.0	1.0	1.0	1.0	1.0
GTA VI Online MAU	M		0.0	35.5	52.2	58.8	58.2
GTA+ attach	%		0.0	0.1	0.1	0.1	0.1
GTA+ subscribers	M		0.0	2.5	4.2	5.3	5.8
GTA+ net revenue per sub per year	$ / sub		67.1	67.1	67.1	67.1	67.1
GTA+ subscription bookings	$M		0.0	166.7	280.1	355.2	390.5
VC / Shark Card spend per MAU	$ / MAU		0.0	42.0	44.0	46.0	47.0
VC / microtransaction bookings	$M		0.0	1490.0	2295.2	2704.8	2734.8
GTA VI Online bookings	$M		0.0	1656.6	2575.2	3060.0	3125.3
Legacy GTA Online growth	%		0.1	-0.5	-0.5	-0.5	-0.5
Legacy GTA Online bookings	$M	515.0	540.8	297.4	148.7	74.4	37.2
GTA V catalog units sold	M	15.0	10.0	5.0	4.0	3.0	2.5
RDR2 catalog units sold	M	10.0	8.0	7.0	6.0	5.0	4.0
Total catalog units	M	25.0	18.0	12.0	10.0	8.0	6.5
Catalog net revenue per unit	$ / unit	22.4	22.4	21.3	20.2	19.0	17.9
Rockstar catalog bookings	$M	560.0	403.2	255.4	201.6	152.3	116.5

Sources: Take-Two FY2026 Form 10-K; SIG Technology TTWO financial model, Revenue Playbook, Base case (revised Nov 2026).

Revenue Build Model

2K sports annuals growth	%		0.1	0.0	0.0	0.0	0.0
2K sports annuals bookings	$M	1600.0	1680.0	1747.2	1817.1	1889.8	1965.4
2K core / pipeline growth	%		-0.4	0.3	0.2	0.0	0.0
2K core / pipeline bookings	$M	954.0	620.1	775.1	891.4	891.4	918.1
2K net bookings	$M	2554.0	2300.1	2522.3	2708.5	2781.2	2883.5
Zynga In-App Purchases growth	%		0.0	0.0	0.1	0.1	0.1
Zynga In-App Purchases bookings	$M	2473.6	2399.4	2471.4	2594.9	2776.6	3054.2
Zynga Advertising growth	%		-0.1	0.0	0.0	0.0	0.1
Zynga Advertising bookings	$M	618.4	587.5	599.2	617.2	641.9	674.0
Zynga net bookings	$M	3092.0	2986.9	3070.6	3212.1	3418.5	3728.2
PC & Console Full-Game Sales	**$M**	**954.0**	**3265.8**	**4710.3**	**4282.8**	**3307.5**	**2819.5**
Recurring Consumer Spending	**$M**	**2115.0**	**2220.8**	**3701.2**	**4541.0**	**5024.1**	**5127.9**
Mobile Games Revenue	**$M**	**2473.6**	**2399.4**	**2471.4**	**2594.9**	**2776.6**	**3054.2**
Advertising Revenue	**$M**	**618.4**	**587.5**	**599.2**	**617.2**	**641.9**	**674.0**
Other Digital & Catalog Revenue	**$M**	**560.0**	**403.2**	**255.4**	**201.6**	**152.3**	**116.5**
Total Net Bookings	**$M**	**6721.0**	**8876.6**	**11737.5**	**12237.6**	**11902.5**	**11792.1**
GAAP Net Revenue	**$M**	**6656.4**	**8771.7**	**11632.6**	**12092.4**	**11717.0**	**11566.3**
Check: five revenue drivers sum to total	$M	0.0	0.0	0.0	0.0	0.0	0.0
Check: mobile + advertising = total Zynga	$M	0.0	0.0	0.0	0.0	0.0	0.0

Sources: Take-Two FY2026 Form 10-K; SIG Technology TTWO financial model, Revenue Playbook, Base case (revised Nov 2026).

Revenue Build Model

GTA VI ONLINE — COHORT RETENTION MODEL (replaces penetration rows 38–41)

Monthly-active retention by years since purcha:	years		0	1	2	3	4
Bear	%		45.0%	30.0%	20.0%	12.0%	5.0%
Base	%		60.0%	45.0%	30.0%	20.0%	10.0%
Bull	%		75.0%	60.0%	40.0%	30.0%	20.0%
Selected retention	%		60.0%	45.0%	30.0%	20.0%	10.0%
PC copies bought by existing console owners (%)	%	25.0%					
Launch-year timing factor (avg share of year owned)	%	50.0%					
Street FY28 GTA VI Online anchor ($M)	$M	2,200					
GTA Online peak annual revenue ($M, 2020)	$M	744					
Spend per user basis	text	per monthly active user					
Unique new owners (M)	M		42.0	55.3	49.0	39.3	35.3
Year index	#		1	2	3	4	5
Active from FY27 cohort	M	1	12.6	18.9	12.6	8.4	4.2
Active from FY28 cohort	M	2	0.0	16.6	24.9	16.6	11.1
Active from FY29 cohort	M	3	0.0	0.0	14.7	22.1	14.7
Active from FY30 cohort	M	4	0.0	0.0	0.0	11.8	17.7
Active from FY31 cohort	M	5	0.0	0.0	0.0	0.0	10.6
Cohort active players before live factor (M)	M		12.6	35.5	52.2	58.8	58.2
GTA VI Online MAU — cohort model (M)	**M**		**0.0**	**35.5**	**52.2**	**58.8**	**58.2**
Cumulative unique owners (M)	M		42.0	97.3	146.3	185.5	220.8
Active players as % of cumulative copies	%		0.0%	34.8%	33.7%	29.8%	24.9%
Active players as % of unique owners	%		0.0%	36.5%	35.7%	31.7%	26.4%
FY28 Online vs Street anchor	%			-24.7%			
GTA VI Online as × GTA Online 2020 peak	x		0.00x	2.23x	3.46x	4.11x	4.20x

Sources: Take-Two FY2026 Form 10-K; SIG Technology TTWO financial model, Revenue Playbook, Base case (revised Nov 2026).

DCF Output - Bull

Returns

(All Figures in $USD MM)		Actual					LTM	Projected				
		2022A	2023A	2024A	2025A	2026A	Jun '26	2027E	2028E	2029E	2030E	2031E
Share Price Return												
	Unit											
Multiple	*EV/Revenue*	4.5x	4.0x	5.2x	6.9x	5.6x	5.9x	5.6x	5.4x	5.2x	5.5x	5.3x
Enterprise Value	$	**15,655**	**21,549**	**28,016**	**38,930**	**37,289**	**39,594**	**52,100**	**72,298**	**76,575**	**82,814**	**80,928**
Net Debt	$	(2,302)	2,473	2,758	2,640	969	1,118	(197)	(2,005)	(3,862)	(6,825)	(10,034)
Equity (Market Cap)	$	**17,957**	**19,076**	**25,258**	**36,289**	**36,320**	**38,476**	**52,297**	**74,303**	**80,437**	**89,639**	**90,962**
# FDSO (millions)	#	117	160	170	175	184	189	191	193	195	197	199
Share Price	$	**$153.7**	**$119.3**	**$148.5**	**$207.3**	**$197.5**	**$204.0**	**$274.2**	**$385.0**	**$412.5**	**$455.2**	**$457.7**
Dividends Paid	$	-	-	-	-	-		-	-	-	-	-
Dividend Cash Flow Per Share	$							-	-	-	-	-
MOIC								**1.3x**	**1.9x**	**2.0x**	**2.2x**	**2.2x**
Unlevered Return												
NOPAT		393	(981)	(2,944)	(3,601)	(86)		(83)	719	867	1,755	1,844
D&A		279	1,865	1,847	1,410	1,305		1,669	1,713	1,521	1,524	1,488
Capex		(159)	(204)	(142)	(169)	(163)		(321)	(402)	(295)	(301)	(305)
Working Capital		-	792	54	147	(231)		220	(4)	(25)	95	134
Unlevered FCFF		**514**	**1,472**	**(1,185)**	**(2,213)**	**825**		**578**	**854**	**854**	**1,905**	**2,054**
Unlevered Free Cash Flow for							(39,594)	215	854	854	1,905	2,054
Operating FCFE (analytical only — retained in the company, NOT distributed to shareholders)												
Net Income		418	(1,125)	(3,744)	(4,479)	(298)		(136)	726	913	1,862	2,037
D&A		279	1,865	1,847	1,410	1,305		1,669	1,713	1,521	1,524	1,488
Capex		(159)	(204)	(142)	(169)	(163)		(321)	(402)	(295)	(301)	(305)
Δ Working Capital		-	792	54	147	(231)		220	(4)	(25)	95	134
Debt Paydown					(8)	(1,150)		(29)	(1,400)	-	(300)	-
FCFE (retained; accumulates in net cash, row 68)		**539**	**1,329**	**(1,985)**	**(3,099)**	**(538)**	**(213)**	**1,403**	**633**	**2,115**	**2,879**	**3,354**
Memo: cumulative retained FCFE (already inside FY equity value, row 69)								522	1,155	3,269	6,148	9,502

Sources: SIG Technology TTWO financial model (bull case, revised Nov 2026; MOIC measured from today's $213.47 model price).

DCF Output - Base

Returns

(All Figures in $USD MM)		Actual					LTM	Projected				
		2022A	2023A	2024A	2025A	2026A	Jun '26	2027E	2028E	2029E	2030E	2031E
Share Price Return												
	Unit											
Multiple	*EV/Revenue*	4.5x	4.0x	5.2x	6.9x	5.6x	5.9x	5.0x	4.5x	4.8x	4.8x	5.0x
Enterprise Value	$	15,655	21,549	28,016	38,930	37,289	39,577	43,859	52,347	57,439	55,656	57,832
Net Debt	$	(2,302)	2,473	2,758	2,640	969	1,118	(197)	(1,896)	(3,542)	(5,990)	(8,554)
Equity (Market Cap)	$	17,957	19,076	25,258	36,289	36,320	38,459	44,055	54,243	60,981	61,645	66,386
# FDSO (millions)	#	117	160	170	175	184	189	191	193	196	198	200
Share Price	$	$153.7	$119.3	$148.5	$207.3	$197.5	$203.9	$230.9	$280.6	$311.8	$311.9	$332.6
Dividends Paid	$	-	-	-	-	-		-	-	-	-	-
Dividend Cash Flow Per Share	$							-	-	-	-	-
MOIC								1.1x	1.4x	1.5x	1.5x	1.6x
Unlevered Return												
NOPAT		393	(981)	(2,944)	(3,601)	(86)		(87)	604	684	1,330	1,358
D&A		279	1,865	1,847	1,410	1,305		1,657	1,653	1,390	1,322	1,232
Capex		(159)	(204)	(142)	(169)	(163)		(303)	(349)	(242)	(234)	(231)
Working Capital		-	792	54	147	(231)		214	2	5	122	162
Unlevered FCFF		514	1,472	(1,185)	(2,213)	825		626	892	840	1,633	1,682
Unlevered Free Cash Flow for							(39,577)	233	892	840	1,633	1,682
Operating FCFE (analytical only — retained in the company, NOT distributed to shareholders)												
Net Income		418	(1,125)	(3,744)	(4,479)	(298)		(140)	611	726	1,428	1,527
D&A		279	1,865	1,847	1,410	1,305		1,657	1,653	1,390	1,322	1,232
Capex		(159)	(204)	(142)	(169)	(163)		(303)	(349)	(242)	(234)	(231)
Δ Working Capital		-	792	54	147	(231)		214	2	5	122	162
Debt Paydown					(8)	(1,150)		(29)	(1,400)	-	(300)	-
FCFE (retained; accumulates in net cash, row 68)		539	1,329	(1,985)	(3,099)	(538)	(213)	1,399	517	1,880	2,338	2,689
Memo: cumulative retained FCFE (already inside FY equity value, row 69)								521	1,038	2,918	5,256	7,945

Sources: SIG Technology TTWO financial model (base case, revised Nov 2026; MOIC measured from today's $213.47 model price).

DCF Output - Bear

Returns												
(All Figures in $USD MM)		Actual					LTM	Projected				
		2022A	2023A	2024A	2025A	2026A	Jun '26	2027E	2028E	2029E	2030E	2031E
Share Price Return												
	Unit											
Multiple	*EV/Revenue*	4.5x	4.0x	5.2x	6.9x	5.6x	5.9x	4.5x	4.0x	3.5x	3.2x	3.0x
Enterprise Value	$	15,655	21,549	28,016	38,930	37,289	39,577	35,711	32,369	28,814	24,877	22,206
Net Debt	$	(2,302)	2,473	2,758	2,640	969	1,118	(195)	(1,676)	(3,006)	(4,798)	(6,588)
Equity (Market Cap)	$	17,957	19,076	25,258	36,289	36,320	38,459	35,907	34,044	31,820	29,675	28,794
# FDSO (millions)	#	117	160	170	175	184	189	191	193	196	199	201
Share Price	$	$153.7	$119.3	$148.5	$207.3	$197.5	$203.9	$188.2	$176.1	$162.4	$149.4	$142.9
Dividends Paid	$	-	-	-	-	-		-	-	-	-	-
Dividend Cash Flow Per Share	$							-	-	-	-	-
MOIC								0.9x	0.9x	0.8x	0.7x	0.7x
Unlevered Return												
NOPAT		393	(981)	(2,944)	(3,601)	(86)		(94)	372	415	829	812
D&A		279	1,865	1,847	1,410	1,305		1,638	1,541	1,166	1,031	900
Capex		(159)	(204)	(142)	(169)	(163)		(274)	(243)	(165)	(155)	(148)
Working Capital		-	792	54	147	(231)		205	13	50	146	190
Unlevered FCFF		514	1,472	(1,185)	(2,213)	825		702	975	787	1,248	1,217
Unlevered Free Cash Flow for							(39,577)	261	975	787	1,248	1,217
Operating FCFE (analytical only — retained in the company, NOT distributed to shareholders)												
Net Income		418	(1,125)	(3,744)	(4,479)	(298)		(147)	378	451	911	946
D&A		279	1,865	1,847	1,410	1,305		1,638	1,541	1,166	1,031	900
Capex		(159)	(204)	(142)	(169)	(163)		(274)	(243)	(165)	(155)	(148)
Δ Working Capital		-	792	54	147	(231)		205	13	50	146	190
Debt Paydown					(8)	(1,150)		(29)	(1,400)	-	(300)	-
FCFE (retained; accumulates in net cash, row 68)		539	1,329	(1,985)	(3,099)	(538)	(213)	1,393	290	1,503	1,633	1,887
Memo: cumulative retained FCFE (already inside FY equity value, row 69)								519	808	2,311	3,944	5,831

Sources: SIG Technology TTWO financial model (bear case, revised Nov 2026; MOIC measured from today's $213.47 model price).

Income Statement - Base

Income Statement										
	0.80343884	0.3816158716	0.3654935015	0.45072723	0.33512488	0.82735656	0.939686761	0.85942951	0.7045578616	0.6240601530
Total Revenue	**3,505**	**5,350**	**5,350**	**5,634**	**6,656**	**8,772**	**11,610**	**12,038**	**11,687**	**11,538**
% Growth		*52.6%*	*(0.0%)*	*5.3%*	*18.2%*	*31.8%*	*32.4%*	*3.7%*	*(2.9%)*	*(1.3%)*
COGS	1,535	3,065	3,108	2,571	2,847	3,947	4,992	4,936	4,675	4,500
Cost of revenue	1,535	3,065	3,108	2,571	2,847	3,947	4,992	4,936	4,675	4,500
Gross Profit	**1,969**	**2,285**	**2,242**	**3,062**	**3,810**	**4,824**	**6,618**	**7,102**	**7,012**	**7,038**
% of Revenue	*56.2%*	*42.7%*	*41.9%*	*54.4%*	*57.2%*	*55.0%*	*57.0%*	*59.0%*	*60.0%*	*61.0%*
SG&A	1,027	2,441	2,266	2,567	2,645	3,509	4,296	4,635	4,032	3,808
R&D	407	888	948	1,005	1,075	1,228	1,393	1,445	1,169	1,385
(Income) loss from investments	(6)	31	–	–	–	–	–	–	–	–
Other operating expense (income)	62	122	2,618	3,881	194	194	194	194	194	194
EBIT	480	(1,196)	(3,591)	(4,391)	(104)	(106)	735	829	1,617	1,652
Net Interest Expense	(14)	(142)	(112)	(100)	(94)	(65)	8	52	119	205
EBT	465	(1,338)	(3,703)	(4,491)	(198)	(171)	743	881	1,736	1,857
Income Tax Expense (Benefit)	47	(213)	41	(12)	100	(31)	134	159	313	334
% of EBT	*10.2%*	*15.9%*	*(1.1%)*	*0.3%*	*(50.7%)*	*18.0%*	*18.0%*	*18.0%*	*18.0%*	*18.0%*
Net Income	**418**	**(1,125)**	**(3,744)**	**(4,479)**	**(298)**	**(140)**	**609**	**723**	**1,424**	**1,523**
% Growth		*(369.1%)*	*(232.9%)*	*(19.6%)*	*93.3%*	*492.7%*	*(7.9%)*	*38.8%*	*32.5%*	*18.8%*
% of Revenue	*11.9%*	*(21.0%)*	*(70.0%)*	*(79.5%)*	*(4.5%)*	*(1.6%)*	*5.2%*	*6.0%*	*12.2%*	*13.2%*
EBITDA	**759**	**669**	**(1,743)**	**(2,981)**	**1,200**	**1,551**	**2,387**	**2,217**	**2,937**	**2,881**
% Growth		*(11.8%)*	*(360.6%)*	*(71.0%)*	*140.3%*	*29.2%*	*53.9%*	*(7.1%)*	*32.5%*	*(1.9%)*
% of Revenue	*21.7%*	*12.5%*	*(32.6%)*	*(52.9%)*	*18.0%*	*17.7%*	*20.6%*	*18.4%*	*25.1%*	*25.0%*
D&A	279	1,865	1,847	1,410	1,305	1,657	1,652	1,388	1,320	1,229

Sources: SIG Technology TTWO financial model (base case, revised Nov 2026).

Balance Sheet - Base

Balance Sheet

(All Figures in $USD MM)	Actual 2022A	2023A	2024A	2025A	2026A	Projected 2027E	2028P	2029P	2030P	2031P
Assets										
Cash	1,732	827	754	1,456	1,546	2,685	2,983	4,626	6,768	9,326
Accounts Receivable	579	763	680	771	737	971	1,285	1,333	1,294	1,278
Inventory	13	–	–	–	–	–	–	–	–	–
Other ST Assets	1,547	918	826	589	917	1,208	1,599	1,658	1,610	1,590
Total Current Assets	**3,871**	**2,508**	**2,260**	**2,816**	**3,200**	**4,865**	**5,868**	**7,617**	**9,672**	**12,193**
PP&E	242	403	411	444	445	551	628	572	519	472
Operating Lease Assets	217	283	326	326	335	335	335	335	335	335
Intangible	266	4,453	3,061	2,336	1,653	1,049	507	311	206	172
Goodwill	674	6,767	4,426	1,057	1,062	1,074	1,087	1,099	1,111	1,123
Software dev costs	756	1,072	1,446	1,893	2,278	2,290	2,482	2,594	2,585	2,517
Other LT Assets	445	376	287	309	411	411	411	411	411	411
Total Assets	**6,472**	**15,862**	**12,217**	**9,181**	**9,383**	**10,575**	**11,317**	**12,938**	**14,839**	**17,224**
Liabilities & Equity										
Accounts Payable	126	140	196	195	211	293	370	366	347	334
Accrued Liablities	1,114	1,286	1,126	1,189	1,188	1,647	2,083	2,060	1,951	1,878
Deferred revenue	865	1,079	1,060	1,084	1,160	1,265	1,370	1,515	1,700	1,926
Short-Term debt, net	–	1,347	25	1,148	30	1,400	-	300	-	-
Total Current Liabilities	**2,105**	**3,852**	**2,406**	**3,616**	**2,589**	**4,605**	**3,823**	**4,240**	**3,998**	**4,137**
Debt		1,733	3,058	2,513	2,488	1,089	1,089	789	789	789
Finance Leases	–	–	–	–	–	–	–	–	–	–
Operating Lease Liablities	211	347	387	383	370	370	370	370	370	370
Other LT Liabilities	420	354	356	272	243	337	426	421	399	384
Deferred tax liabilities, net	(74)	534	341	260	182	240	318	330	320	316
Total Liabilities	**2,663**	**6,820**	**6,549**	**7,043**	**5,872**	**6,641**	**6,026**	**6,150**	**5,876**	**5,996**
Common Shares	1,578	7,992	8,353	9,293	10,935	11,499	12,246	13,020	13,772	14,514
Retained earnings	2,289	1,164	(2,580)	(7,059)	(7,357)	(7,497)	(6,888)	(6,165)	(4,742)	(3,219)
Other Comp. Income (loss)	(57)	(113)	(105)	(97)	(67)	(67)	(67)	(67)	(67)	(67)
Total shareholder's equity	3,810	9,042	5,668	2,138	3,511	3,935	5,291	6,787	8,963	11,228
Noncontrolling Interests	–	–	–	–	–	-	-	-	-	-
Total Consolidated Equity	3,810	9,042	5,668	2,138	3,511	3,935	5,291	6,787	8,963	11,228
Total Equity	**3,810**	**9,042**	**5,668**	**2,138**	**3,511**	**3,935**	**5,291**	**6,787**	**8,963**	**11,228**
Total Liabilities & Equity	**6,472**	**15,862**	**12,217**	**9,181**	**9,383**	**10,575**	**11,317**	**12,938**	**14,839**	**17,224**

Sources: SIG Technology TTWO financial model (base case, revised Nov 2026).

Cash Flow Statement - Base

Cash Flow Statement

(All Figures in $USD MM)	Actual 2022A	2023A	2024A	2025A	2026A	Projected 2027E	2028P	2029P	2030P	2031P
CFO										
Net income	418	(1,125)	(3,744)	(4,479)	(298)	(140)	609	723	1,424	1,523
D&A	279	1,865	1,847	1,410	1,305	1,657	1,652	1,388	1,320	1,229
Goodwill impairment	–	–	2,342	3,545	–	-	-	-	-	-
Fair value adjustments	(6)	32	9	7	12	-	-	-	-	-
Interest expense	6	123	141	167	151	-	-	-	-	-
Noncash lease expense	34	82	61	60	56	-	-	-	-	-
Share-Based Comp	183	318	336	324	305	487	645	669	649	641
Deferred Income Taxes	8	(411)	(150)	140	78	58	78	12	(10)	(4)
Other	16	(27)	30	25	21	-	-	-	-	-
Accounts Receivable	(18)	107	84	(105)	35	(234)	(314)	(47)	39	17
Prepaid & other assets	(200)	77	(155)	12	(66)	(291)	(391)	(59)	48	21
AP, accrued & other liabilities	(46)	(405)	(201)	(466)	(365)	541	514	(28)	(128)	(86)
Deferred Revenue	(31)	(142)	(12)	7	78	105	105	145	186	226
Software development costs	(387)	(493)	(603)	(692)	(689)	(855)	(1,016)	(993)	(906)	(837)
Other LT Assets & Liabilites	–	–	–	–	–	94	89	(5)	(22)	(15)
Cash From Operations	**258**	**1**	**(16)**	**(45)**	**624**	**1,421**	**1,971**	**1,804**	**2,600**	**2,714**
CFI										
Purchase of PP&E	(159)	(204)	(142)	(169)	(163)	(303)	(348)	(241)	(234)	(231)
Disposal of Assets	–	–	–	33	–	-	-	-	-	-
Acquisitions	(161)	(3,311)	(18)	(14)	(30)	(26)	(26)	(26)	(26)	(26)
Investments & deposits, net	458	647	148	(8)	(456)	-	-	-	-	-
Settlement/ sale of derivatives	–	–	–	–	–	-	-	-	-	-
Other investing activities	1	(8)	(17)	8	–	-	-	-	-	-
Cash From Investing	**139**	**(2,876)**	**(28)**	**(152)**	**(649)**	**(329)**	**(375)**	**(267)**	**(260)**	**(257)**
CFF										
LT Debt Proceeds	–	3,249	1,349	599	–	-	-	-	-	-
LT Debt / Lease Repayments	–	(1,367)	(1,340)	(8)	(1,150)	(29)	(1,400)	-	(300)	-
Financing Costs	(12)	(22)	(10)	(5)	–	-	-	-	-	-
Dividends	–	–	–	–	–	-	-	-	-	-
Unit Buybacks	–	–	–	–	–	-	-	-	-	-
Share Buybacks	(200)	–	–	–	–	-	-	-	-	-
Tax on RSU settlements	(64)	(108)	(94)	–	(3)	(5)	(6)	(6)	(6)	(6)
Share Issuance	20	65	39	77	1,248	82	108	112	109	107
Capped calls	–	140	–	–	–	-	-	-	-	-
Other financing activities	(0)	(27)	(36)	(12)	–	-	-	-	-	-
Cash From Financing	**(257)**	**1,930**	**(91)**	**650**	**95**	**48**	**(1,298)**	**106**	**(198)**	**101**
Free Cash Flow	**99**	**(203)**	**(158)**	**(215)**	**461**	**1,118**	**1,622**	**1,563**	**2,366**	**2,484**
% Growth		*(304.3%)*	*22.4%*	*(36.2%)*	*315.0%*	*142.4%*	*45.1%*	*(3.7%)*	*51.4%*	*5.0%*
% of Revenue	*2.8%*	*(3.8%)*	*(2.9%)*	*(3.8%)*	*6.9%*	*12.7%*	*14.0%*	*13.0%*	*20.2%*	*21.5%*
Effect of exchange rate changes	**(5)**	**(16)**	**3**	**3**	**9**	**–**	**–**	**–**	**–**	**–**
Beginning Cash incl. Restricted Cash	**2,060**	**2,195**	**1,235**	**1,102**	**1,559**	**1,546**	**2,685**	**2,983**	**4,626**	**6,768**
Net Change in Cash	135	(961)	(132)	457	79	1,140	298	1,642	2,142	2,559
Ending Cash incl. Restricted Cash	**2,195**	**1,235**	**1,102**	**1,559**	**1,638**	**2,685**	**2,983**	**4,626**	**6,768**	**9,326**
Less: Restricted Cash	**463**	**407**	**348**	**103**	**92**	**–**	**–**	**–**	**–**	**–**
Cash & Cash Equivalents (BS)	**1,732**	**827**	**754**	**1,456**	**1,546**	**2,685**	**2,983**	**4,626**	**6,768**	**9,326**

Sources: SIG Technology TTWO financial model (base case, revised Nov 2026).

Income Statement - Bull

Income Statement										
	0.80343884	0.3816158716	0.3654935015	0.45072723	0.33512488	0.86394914	0.872245877	0.78958923	0.656823571	0.576844086
Total Revenue	**3,505**	**5,350**	**5,350**	**5,634**	**6,656**	**9,304**	**13,388**	**14,726**	**15,057**	**15,270**
% Growth		*52.6%*	*(0.0%)*	*5.3%*	*18.2%*	*39.8%*	*43.9%*	*10.0%*	*2.2%*	*1.4%*
COGS	1,535	3,065	3,108	2,571	2,847	4,187	5,757	6,038	6,023	5,955
Cost of revenue	1,535	3,065	3,108	2,571	2,847	4,187	5,757	6,038	6,023	5,955
Gross Profit	**1,969**	**2,285**	**2,242**	**3,062**	**3,810**	**5,117**	**7,631**	**8,688**	**9,034**	**9,314**
% of Revenue	*56.2%*	*42.7%*	*41.9%*	*54.4%*	*57.2%*	*55.0%*	*57.0%*	*59.0%*	*60.0%*	*61.0%*
SG&A	1,027	2,441	2,266	2,567	2,645	3,721	4,954	5,669	5,195	5,039
R&D	407	888	948	1,005	1,075	1,302	1,607	1,767	1,506	1,832
(Income) loss from investments	(6)	31	–	–	–	–	–	–	–	–
Other operating expense (income)	62	122	2,618	3,881	194	194	194	194	194	194
EBIT	480	(1,196)	(3,591)	(4,391)	(104)	(101)	877	1,058	2,140	2,249
Net Interest Expense	(14)	(142)	(112)	(100)	(94)	(65)	8	56	130	235
EBT	465	(1,338)	(3,703)	(4,491)	(198)	(166)	885	1,113	2,270	2,485
Income Tax Expense (Benefit)	47	(213)	41	(12)	100	(30)	159	200	409	447
% of EBT	*10.2%*	*15.9%*	*(1.1%)*	*0.3%*	*(50.7%)*	*18.0%*	*18.0%*	*18.0%*	*18.0%*	*18.0%*
Net Income	**418**	**(1,125)**	**(3,744)**	**(4,479)**	**(298)**	**(136)**	**726**	**913**	**1,862**	**2,037**
% Growth		*(369.1%)*	*(232.9%)*	*(19.6%)*	*93.3%*	*492.7%*	*(7.9%)*	*38.8%*	*32.5%*	*18.8%*
% of Revenue	*11.9%*	*(21.0%)*	*(70.0%)*	*(79.5%)*	*(4.5%)*	*(1.5%)*	*5.4%*	*6.2%*	*12.4%*	*13.3%*
EBITDA	**759**	**669**	**(1,743)**	**(2,981)**	**1,200**	**1,568**	**2,590**	**2,579**	**3,663**	**3,737**
% Growth		*(11.8%)*	*(360.6%)*	*(71.0%)*	*140.3%*	*30.6%*	*65.2%*	*(0.4%)*	*42.0%*	*2.0%*
% of Revenue	*21.7%*	*12.5%*	*(32.6%)*	*(52.9%)*	*18.0%*	*16.9%*	*19.3%*	*17.5%*	*24.3%*	*24.5%*
D&A	279	1,865	1,847	1,410	1,305	1,669	1,713	1,521	1,524	1,488

Sources: SIG Technology TTWO financial model (bull case, revised Nov 2026: Revenue Playbook scenario set to Bull, 3-Statement selector held at Base).

Balance Sheet - Bull

Balance Sheet

(All Figures in $USD MM)	Actual 2022A	2023A	2024A	2025A	2026A	Projected 2027E	2028P	2029P	2030P	2031P
Assets										
Cash	1,732	827	754	1,456	1,546	2,686	3,094	4,951	7,614	10,822
Accounts Receivable	579	763	680	771	737	1,030	1,482	1,630	1,667	1,691
Inventory	13	–	–	–	–	–	–	–	–	–
Other ST Assets	1,547	918	826	589	917	1,282	1,844	2,029	2,074	2,104
Total Current Assets	**3,871**	**2,508**	**2,260**	**2,816**	**3,200**	**4,998**	**6,420**	**8,610**	**11,355**	**14,617**
PP&E	242	403	411	444	445	558	646	577	509	448
Operating Lease Assets	217	283	326	326	335	335	335	335	335	335
Intangible	266	4,453	3,061	2,336	1,653	1,049	507	311	206	172
Goodwill	674	6,767	4,426	1,057	1,062	1,074	1,087	1,099	1,111	1,123
Software dev costs	756	1,072	1,446	1,893	2,278	2,342	2,670	2,937	3,069	3,102
Other LT Assets	445	376	287	309	411	411	411	411	411	411
Total Assets	**6,472**	**15,862**	**12,217**	**9,181**	**9,383**	**10,766**	**12,076**	**14,280**	**16,996**	**20,208**
Liabilities & Equity										
Accounts Payable	126	140	196	195	211	310	427	448	446	441
Accrued Liablities	1,114	1,286	1,126	1,189	1,188	1,747	2,402	2,519	2,513	2,485
Deferred revenue	865	1,079	1,060	1,084	1,160	1,265	1,370	1,515	1,700	1,926
Short-Term debt, net	–	1,347	25	1,148	30	1,400	-	300	-	-
Total Current Liabilities	**2,105**	**3,852**	**2,406**	**3,616**	**2,589**	**4,722**	**4,199**	**4,782**	**4,660**	**4,853**
Debt		1,733	3,058	2,513	2,488	1,089	1,089	789	789	789
Finance Leases	–	–	–	–	–	–	–	–	–	–
Operating Lease Liablities	211	347	387	383	370	370	370	370	370	370
Other LT Liabilities	420	354	356	272	243	357	491	515	514	508
Deferred tax liabilities, net	(74)	534	341	260	182	255	367	403	412	418
Total Liabilities	**2,663**	**6,820**	**6,549**	**7,043**	**5,872**	**6,793**	**6,516**	**6,859**	**6,745**	**6,938**
Common Shares	1,578	7,992	8,353	9,293	10,935	11,534	12,395	13,342	14,310	15,292
Retained earnings	2,289	1,164	(2,580)	(7,059)	(7,357)	(7,493)	(6,767)	(5,854)	(3,992)	(1,955)
Other Comp. Income (loss)	(57)	(113)	(105)	(97)	(67)	(67)	(67)	(67)	(67)	(67)
Total shareholder's equity	3,810	9,042	5,668	2,138	3,511	3,973	5,560	7,420	10,250	13,270
Noncontrolling Interests	–	–	–	–	–	-	-	-	-	-
Total Consolidated Equity	3,810	9,042	5,668	2,138	3,511	3,973	5,560	7,420	10,250	13,270
Total Equity	**3,810**	**9,042**	**5,668**	**2,138**	**3,511**	**3,973**	**5,560**	**7,420**	**10,250**	**13,270**
Total Liabilities & Equity	**6,472**	**15,862**	**12,217**	**9,181**	**9,383**	**10,766**	**12,076**	**14,280**	**16,996**	**20,208**

Sources: SIG Technology TTWO financial model (bull case, revised Nov 2026: Revenue Playbook scenario set to Bull, 3-Statement selector held at Base).

Cash Flow Statement - Bull

Cash Flow Statement

(All Figures in $USD MM)	Actual 2022A	2023A	2024A	2025A	2026A	Projected 2027E	2028P	2029P	2030P	2031P
CFO										
Net income	418	(1,125)	(3,744)	(4,479)	(298)	(136)	726	913	1,862	2,037
D&A	279	1,865	1,847	1,410	1,305	1,669	1,713	1,521	1,524	1,488
Goodwill impairment	–	–	2,342	3,545	–	-	-	-	-	-
Fair value adjustments	(6)	32	9	7	12	-	-	-	-	-
Interest expense	6	123	141	167	151	-	-	-	-	-
Noncash lease expense	34	82	61	60	56	-	-	-	-	-
Share-Based Comp	183	318	336	324	305	517	744	818	836	848
Deferred Income Taxes	8	(411)	(150)	140	78	72	112	37	9	6
Other	16	(27)	30	25	21	-	-	-	-	-
Accounts Receivable	(18)	107	84	(105)	35	(293)	(452)	(148)	(37)	(24)
Prepaid & other assets	(200)	77	(155)	12	(66)	(365)	(563)	(184)	(46)	(29)
AP, accrued & other liabilities	(46)	(405)	(201)	(466)	(365)	658	772	138	(7)	(33)
Deferred Revenue	(31)	(142)	(12)	7	78	105	105	145	186	226
Software development costs	(387)	(493)	(603)	(692)	(689)	(907)	(1,171)	(1,215)	(1,167)	(1,107)
Other LT Assets & Liabilites	–	–	–	–	–	114	134	24	(1)	(6)
Cash From Operations	**258**	**1**	**(16)**	**(45)**	**624**	**1,435**	**2,118**	**2,049**	**3,158**	**3,406**
CFI										
Purchase of PP&E	(159)	(204)	(142)	(169)	(163)	(321)	(402)	(295)	(301)	(305)
Disposal of Assets	–	–	–	33	–	-	-	-	-	-
Acquisitions	(161)	(3,311)	(18)	(14)	(30)	(26)	(26)	(26)	(26)	(26)
Investments & deposits, net	458	647	148	(8)	(456)	-	-	-	-	-
Settlement/ sale of derivatives	–	–	–	–	–	-	-	-	-	-
Other investing activities	1	(8)	(17)	8	–	-	-	-	-	-
Cash From Investing	**139**	**(2,876)**	**(28)**	**(152)**	**(649)**	**(347)**	**(428)**	**(321)**	**(327)**	**(332)**
CFF										
LT Debt Proceeds	–	3,249	1,349	599	–	-	-	-	-	-
LT Debt / Lease Repayments	–	(1,367)	(1,340)	(8)	(1,150)	(29)	(1,400)	-	(300)	-
Financing Costs	(12)	(22)	(10)	(5)	–	-	-	-	-	-
Dividends	–	–	–	–	–	-	-	-	-	-
Unit Buybacks	–	–	–	–	–	-	-	-	-	-
Share Buybacks	(200)	–	–	–	–	-	-	-	-	-
Tax on RSU settlements	(64)	(108)	(94)	–	(3)	(5)	(7)	(8)	(8)	(8)
Share Issuance	20	65	39	77	1,248	86	124	137	140	142
Capped calls	–	140	–	–	–	-	-	-	-	-
Other financing activities	(0)	(27)	(36)	(12)	–	-	-	-	-	-
Cash From Financing	**(257)**	**1,930**	**(91)**	**650**	**95**	**52**	**(1,283)**	**129**	**(168)**	**134**
Free Cash Flow	**99**	**(203)**	**(158)**	**(215)**	**461**	**1,114**	**1,717**	**1,754**	**2,857**	**3,101**
% Growth		*(304.3%)*	*22.4%*	*(36.2%)*	*315.0%*	*141.6%*	*54.0%*	*2.2%*	*62.9%*	*8.5%*
% of Revenue	*2.8%*	*(3.8%)*	*(2.9%)*	*(3.8%)*	*6.9%*	*12.0%*	*12.8%*	*11.9%*	*19.0%*	*20.3%*
Effect of exchange rate changes	**(5)**	**(16)**	**3**	**3**	**9**	–	–	–	–	–
Beginning Cash incl. Restricted Cash	**2,060**	**2,195**	**1,235**	**1,102**	**1,559**	**1,546**	**2,686**	**3,094**	**4,951**	**7,614**
Net Change in Cash	135	(961)	(132)	457	79	1,140	408	1,857	2,663	3,209
Ending Cash incl. Restricted Cash	**2,195**	**1,235**	**1,102**	**1,559**	**1,638**	**2,686**	**3,094**	**4,951**	**7,614**	**10,822**
Less: Restricted Cash	**463**	**407**	**348**	**103**	**92**	–	–	–	–	–
Cash & Cash Equivalents (BS)	**1,732**	**827**	**754**	**1,456**	**1,546**	**2,686**	**3,094**	**4,951**	**7,614**	**10,822**

Sources: SIG Technology TTWO financial model (bull case, revised Nov 2026: Revenue Playbook scenario set to Bull, 3-Statement selector held at Base).

Income Statement - Bear

Income Statement										
	0.80343884	0.3816158716	0.3654935015	0.45072723	0.33512488	0.74610765	0.891944674	0.84880891	0.745053017	0.6500474971
Total Revenue	**3,505**	**5,350**	**5,350**	**5,634**	**6,656**	**7,936**	**8,092**	**8,232**	**7,774**	**7,402**
% Growth		*52.6%*	*(0.0%)*	*5.3%*	*18.2%*	*19.2%*	*2.0%*	*1.7%*	*(5.6%)*	*(4.8%)*
COGS	1,535	3,065	3,108	2,571	2,847	3,571	3,480	3,375	3,110	2,887
Cost of revenue	1,535	3,065	3,108	2,571	2,847	3,571	3,480	3,375	3,110	2,887
Gross Profit	**1,969**	**2,285**	**2,242**	**3,062**	**3,810**	**4,365**	**4,613**	**4,857**	**4,664**	**4,515**
% of Revenue	*56.2%*	*42.7%*	*41.9%*	*54.4%*	*57.2%*	*55.0%*	*57.0%*	*59.0%*	*60.0%*	*61.0%*
SG&A	1,027	2,441	2,266	2,567	2,645	3,174	2,994	3,170	2,682	2,443
R&D	407	888	948	1,005	1,075	1,111	971	988	777	888
(Income) loss from investments	(6)	31	–	–	–	–	–	–	–	–
Other operating expense (income)	62	122	2,618	3,881	194	194	194	194	194	194
EBIT	480	(1,196)	(3,591)	(4,391)	(104)	(115)	453	506	1,011	990
Net Interest Expense	(14)	(142)	(112)	(100)	(94)	(65)	8	44	100	163
EBT	465	(1,338)	(3,703)	(4,491)	(198)	(179)	461	550	1,111	1,153
Income Tax Expense (Benefit)	47	(213)	41	(12)	100	(32)	83	99	200	208
% of EBT	*10.2%*	*15.9%*	*(1.1%)*	*0.3%*	*(50.7%)*	*18.0%*	*18.0%*	*18.0%*	*18.0%*	*18.0%*
Net Income	**418**	**(1,125)**	**(3,744)**	**(4,479)**	**(298)**	**(147)**	**378**	**451**	**911**	**946**
% Growth		*(369.1%)*	*(232.9%)*	*(19.6%)*	*93.3%*	*492.7%*	*(7.9%)*	*38.8%*	*32.5%*	*18.8%*
% of Revenue	*11.9%*	*(21.0%)*	*(70.0%)*	*(79.5%)*	*(4.5%)*	*(1.9%)*	*4.7%*	*5.5%*	*11.7%*	*12.8%*
EBITDA	**759**	**669**	**(1,743)**	**(2,981)**	**1,200**	**1,524**	**1,994**	**1,672**	**2,042**	**1,890**
% Growth		*(11.8%)*	*(360.6%)*	*(71.0%)*	*140.3%*	*26.9%*	*30.9%*	*(16.2%)*	*22.1%*	*(7.4%)*
% of Revenue	*21.7%*	*12.5%*	*(32.6%)*	*(52.9%)*	*18.0%*	*19.2%*	*24.6%*	*20.3%*	*26.3%*	*25.5%*
D&A	279	1,865	1,847	1,410	1,305	1,638	1,541	1,166	1,031	900

Sources: SIG Technology TTWO financial model (bear case, revised Nov 2026: Revenue Playbook scenario set to Bear, 3-Statement selector held at Base).

Balance Sheet - Bear

Balance Sheet

(All Figures in $USD MM)	Actual 2022A	2023A	2024A	2025A	2026A	Projected 2027E	2028P	2029P	2030P	2031P
Assets										
Cash	1,732	827	754	1,456	1,546	2,684	2,764	4,095	5,586	7,377
Accounts Receivable	579	763	680	771	737	879	896	912	861	820
Inventory	13	–	–	–	–	–	–	–	–	–
Other ST Assets	1,547	918	826	589	917	1,093	1,115	1,134	1,071	1,020
Total Current Assets	**3,871**	**2,508**	**2,260**	**2,816**	**3,200**	**4,656**	**4,775**	**6,140**	**7,518**	**9,216**
PP&E	242	403	411	444	445	541	595	556	521	491
Operating Lease Assets	217	283	326	326	335	335	335	335	335	335
Intangible	266	4,453	3,061	2,336	1,653	1,049	507	311	206	172
Goodwill	674	6,767	4,426	1,057	1,062	1,074	1,087	1,099	1,111	1,123
Software dev costs	756	1,072	1,446	1,893	2,278	2,209	2,122	2,048	1,928	1,790
Other LT Assets	445	376	287	309	411	411	411	411	411	411
Total Assets	**6,472**	**15,862**	**12,217**	**9,181**	**9,383**	**10,275**	**9,830**	**10,899**	**12,030**	**13,539**
Liabilities & Equity										
Accounts Payable	126	140	196	195	211	265	258	250	230	214
Accrued Liablities	1,114	1,286	1,126	1,189	1,188	1,490	1,452	1,408	1,298	1,205
Deferred revenue	865	1,079	1,060	1,084	1,160	1,265	1,370	1,515	1,700	1,926
Short-Term debt, net	–	1,347	25	1,148	30	1,400	-	300	-	-
Total Current Liabilities	**2,105**	**3,852**	**2,406**	**3,616**	**2,589**	**4,420**	**3,080**	**3,474**	**3,229**	**3,345**
Debt		1,733	3,058	2,513	2,488	1,089	1,089	789	789	789
Finance Leases	–	–	–	–	–	–	–	–	–	–
Operating Lease Liablities	211	347	387	383	370	370	370	370	370	370
Other LT Liabilities	420	354	356	272	243	305	297	288	265	246
Deferred tax liabilities, net	(74)	534	341	260	182	217	222	225	213	203
Total Liabilities	**2,663**	**6,820**	**6,549**	**7,043**	**5,872**	**6,401**	**5,057**	**5,146**	**4,866**	**4,953**
Common Shares	1,578	7,992	8,353	9,293	10,935	11,446	11,966	12,495	12,995	13,472
Retained earnings	2,289	1,164	(2,580)	(7,059)	(7,357)	(7,504)	(7,126)	(6,675)	(5,764)	(4,818)
Other Comp. Income (loss)	(57)	(113)	(105)	(97)	(67)	(67)	(67)	(67)	(67)	(67)
Total shareholder's equity	3,810	9,042	5,668	2,138	3,511	3,874	4,773	5,753	7,165	8,586
Noncontrolling Interests	–	–	–	–	–	-	-	-	-	-
Total Consolidated Equity	3,810	9,042	5,668	2,138	3,511	3,874	4,773	5,753	7,165	8,586
Total Equity	**3,810**	**9,042**	**5,668**	**2,138**	**3,511**	**3,874**	**4,773**	**5,753**	**7,165**	**8,586**
Total Liabilities & Equity	**6,472**	**15,862**	**12,217**	**9,181**	**9,383**	**10,275**	**9,830**	**10,899**	**12,030**	**13,539**



Sources: SIG Technology TTWO financial model (bear case, revised Nov 2026: Revenue Playbook scenario set to Bear, 3-Statement selector held at Base).

Cash Flow Statement - Bear

Cash Flow Statement

(All Figures in $USD MM)	Actual 2022A	2023A	2024A	2025A	2026A	Projected 2027E	2028P	2029P	2030P	2031P
CFO										
Net income	418	(1,125)	(3,744)	(4,479)	(298)	(147)	378	451	911	946
D&A	279	1,865	1,847	1,410	1,305	1,638	1,541	1,166	1,031	900
Goodwill impairment	–	–	2,342	3,545	–	-	-	-	-	-
Fair value adjustments	(6)	32	9	7	12	-	-	-	-	-
Interest expense	6	123	141	167	151	-	-	-	-	-
Noncash lease expense	34	82	61	60	56	-	-	-	-	-
Share-Based Comp	183	318	336	324	305	441	449	457	432	411
Deferred Income Taxes	8	(411)	(150)	140	78	35	4	4	(13)	(10)
Other	16	(27)	30	25	21	-	-	-	-	-
Accounts Receivable	(18)	107	84	(105)	35	(142)	(17)	(16)	51	41
Prepaid & other assets	(200)	77	(155)	12	(66)	(176)	(22)	(19)	63	51
AP, accrued & other liabilities	(46)	(405)	(201)	(466)	(365)	356	(45)	(51)	(131)	(110)
Deferred Revenue	(31)	(142)	(12)	7	78	105	105	145	186	226
Software development costs	(387)	(493)	(603)	(692)	(689)	(774)	(708)	(679)	(602)	(537)
Other LT Assets & Liabilites	–	–	–	–	–	62	(8)	(9)	(23)	(19)
Cash From Operations	**258**	**1**	**(16)**	**(45)**	**624**	**1,398**	**1,678**	**1,449**	**1,905**	**1,900**
CFI										
Purchase of PP&E	(159)	(204)	(142)	(169)	(163)	(274)	(243)	(165)	(155)	(148)
Disposal of Assets	–	–	–	33	–	-	-	-	-	-
Acquisitions	(161)	(3,311)	(18)	(14)	(30)	(26)	(26)	(26)	(26)	(26)
Investments & deposits, net	458	647	148	(8)	(456)	-	-	-	-	-
Settlement/ sale of derivatives	–	–	–	–	–	-	-	-	-	-
Other investing activities	1	(8)	(17)	8	–	-	-	-	-	-
Cash From Investing	**139**	**(2,876)**	**(28)**	**(152)**	**(649)**	**(300)**	**(269)**	**(191)**	**(182)**	**(174)**
CFF										
LT Debt Proceeds	–	3,249	1,349	599	–	-	-	-	-	-
LT Debt / Lease Repayments	–	(1,367)	(1,340)	(8)	(1,150)	(29)	(1,400)	-	(300)	-
Financing Costs	(12)	(22)	(10)	(5)	–	-	-	-	-	-
Dividends	–	–	–	–	–	-	-	-	-	-
Unit Buybacks	–	–	–	–	–	-	-	-	-	-
Share Buybacks	(200)	–	–	–	–	-	-	-	-	-
Tax on RSU settlements	(64)	(108)	(94)	–	(3)	(4)	(4)	(4)	(4)	(4)
Share Issuance	20	65	39	77	1,248	74	75	77	72	69
Capped calls	–	140	–	–	–	-	-	-	-	-
Other financing activities	(0)	(27)	(36)	(12)	–	-	-	-	-	-
Cash From Financing	**(257)**	**1,930**	**(91)**	**650**	**95**	**40**	**(1,329)**	**72**	**(232)**	**65**
Free Cash Flow	**99**	**(203)**	**(158)**	**(215)**	**461**	**1,125**	**1,435**	**1,285**	**1,750**	**1,752**
% Growth		*(304.3%)*	*22.4%*	*(36.2%)*	*315.0%*	*143.8%*	*27.6%*	*(10.5%)*	*36.2%*	*0.1%*
% of Revenue	*2.8%*	*(3.8%)*	*(2.9%)*	*(3.8%)*	*6.9%*	*14.2%*	*17.7%*	*15.6%*	*22.5%*	*23.7%*
Effect of exchange rate changes	**(5)**	**(16)**	**3**	**3**	**9**	–	–	–	–	–
Beginning Cash incl. Restricted Cash	**2,060**	**2,195**	**1,235**	**1,102**	**1,559**	**1,546**	**2,684**	**2,764**	**4,095**	**5,586**
Net Change in Cash	135	(961)	(132)	457	79	1,138	80	1,331	1,492	1,790
Ending Cash incl. Restricted Cash	**2,195**	**1,235**	**1,102**	**1,559**	**1,638**	**2,684**	**2,764**	**4,095**	**5,586**	**7,377**
Less: Restricted Cash	**463**	**407**	**348**	**103**	**92**	–	–	–	–	–
Cash & Cash Equivalents (BS)	**1,732**	**827**	**754**	**1,456**	**1,546**	**2,684**	**2,764**	**4,095**	**5,586**	**7,377**

Sources: SIG Technology TTWO financial model (bear case, revised Nov 2026: Revenue Playbook scenario set to Bear, 3-Statement selector held at Base).

Reverse DCF

Post-Launch Market-Implied Growth — FY27E Fixed at Our Forecast, Constant FY28–FY31 Growth Solved				
Driver	**Implied**	**Ours**	**Δ**	**Check**
Revenue CAGR, FY27E–FY31E (FY27E Fixed)	**7.4%**	**7.1%**	**(0.3%)**	**$213.47**
Memo: Our FY28E–FY31E CAGR (3 Yrs)	7.4%	(0.2%)	(7.6%)	
FY27E Revenue (Fixed at 3-Statement)	8,772	8,772	–	
FY31E Revenue	11,650	11,538	(112)	
Sensitivity: Original Revenue CAGR, FY26A–FY31E	12.3%	11.6%	(0.7%)	$213.47
Value per Share	$213.47	$218.26	$4.79	

Post-Launch Market-Implied Revenue Path (FY27E Fixed, FY28–31 at Implied Growth)						
Revenue	6,656	8,772	9,417	10,109	10,852	11,650
% Growth		*31.8%*	*7.4%*	*7.4%*	*7.4%*	*7.4%*
Unlevered FCF (Our Margins & Ratios)		626	723	710	1,140	666
PV of Unlevered FCF		604	634	566	825	438

FY27E revenue and FCF held at our forecast; FY28–31 revenue compounds at the solved rate; margins, D&A, capex, NWC ratios, WACC and 5.0x exit as in main reverse DCF.

1.0%
1.00x

	Market-Implied Revenue CAGR, FY26A–FY31E				
WACC ↓ / x →	**3.00x**	**4.00x**	**5.00x**	**6.00x**	**7.00x**
8.1%	20.0%	13.4%	8.7%	4.9%	1.9%
9.1%	21.0%	14.4%	9.6%	5.8%	2.7%
10.1%	22.0%	15.4%	10.5%	6.7%	3.6%
11.1%	23.1%	16.3%	11.4%	7.6%	4.4%
12.1%	24.1%	17.3%	12.3%	8.4%	5.3%

	Value per Share — Our Model				
WACC ↓ / x →	**3.00x**	**4.00x**	**5.00x**	**6.00x**	**7.00x**
8.1%	$149.05	$192.65	$236.24	$279.84	$323.44
9.1%	$143.28	$185.16	$227.03	$268.91	$310.79
10.1%	$137.79	$178.03	$218.26	$258.50	$298.74
11.1%	$132.55	$171.23	$209.90	$248.58	$287.25
12.1%	$127.56	$164.75	$201.93	$239.12	$276.31

TTWO vs COMPS

TTWO trades at a premium to peers on trailing earnings, but the gap narrows sharply on forward estimates as GTA VI revenue arrives.

(Figures in $USD MM, as of October 6, 2026)

Company	Ticker	Market Cap	EV	NTM[1] EV/Revenue	NTM[1] EV/EBITDA	LTM EV/Revenue	LTM EV/EBITDA	LTM P/E	LTM Gross Margins	LTM EBITDA Margins	LTM Revenue Gr. Rate	LTM Net Debt / EBITDA	LTM Interest Coverage[2]
Take-Two Interactive Software,	**ASDAQ: TTW**	**37,880**	**39,000**	**4.6x**	**15.9x**	**5.8x**	**50.9x**		**57.1%**	**11.5%**	**27.8%**	**1.5x**	**(0.7x)**
Mobile / Online Game Developers													
Tencent Holdings Limited	OTC: TCEHY	487,950	#####	4.1x	11.3x	4.3x	11.5x	18.8x	53.7%	37.6%	9.9%	0.0x	20.4x
NetEase, Inc.	NASDAQ: NTES	75,720	52,420	2.9x	7.2x	3.1x	8.2x	17.0x	64.1%	37.1%	7.2%	(3.8x)	122.8x
Krafton, Inc.	KRX: 259960	6,512	4,807	1.3x	3.9x	1.6x	4.3x	3.6x	71.2%	37.0%	45.4%	(1.6x)	113.7x
Roblox Corporation	NYSE: RBLX	32,550	31,370	4.6x		4.5x			78.5%	(12.1%)	41.0%		(26.9x)
Median				**3.5x**	**7.2x**	**3.7x**	**8.2x**	**17.0x**	**67.6%**	**37.0%**	**25.5%**	**(1.6x)**	**67.0x**
Console / PC Game Developers													
Capcom Co., Ltd.	TSE: 9697	11,762	10,687	7.6x	17.7x	8.7x	17.4x	45.1x	74.0%	48.1%	13.7%	(1.7x)	2085.3x
Nintendo Co., Ltd.	TSE: 7974	56,979	44,520	3.0x	15.3x	3.1x	15.2x	26.7x	44.7%	20.4%	0.8%	(4.3x)	1990.1x
Konami Group Corporation	TSE: 9766	18,972	17,327	4.9x	12.9x	5.0x	13.9x	36.3x	70.9%	38.0%	13.5%	(1.3x)	724.1x
CD Projekt S.A.	WSE: CDR	6,742	6,518	27.8x	55.4x	25.3x	44.6x	65.9x	75.1%	56.7%	4.7%	(1.5x)	738.3x
Median				**6.3x**	**16.5x**	**6.9x**	**16.3x**	**40.7x**	**72.4%**	**43.0%**	**9.1%**	**(1.6x)**	**1364.2x**
Overall Median				**4.3x**	**12.9x**	**4.4x**	**13.9x**	**26.7x**	**71.0%**	**37.3%**	**11.7%**	**(1.6x)**	**423.5x**
Variance				**0.3x**	**3.0x**	**1.4x**	**37.0x**		**(13.9%)**	**(25.9%)**	**16.1%**	**3.1x**	**(424.1x)**

Sources: S&P Capital IQ peer data; company FY2026 filings; SIG Technology TTWO financial model.

GTA V: What The Launch Did

GTA V turned a cash-burning Take-Two into a cash machine: operating cash flow went from –$5M the year before launch to $1.9B over the next five years, and the stock rose 7.6x

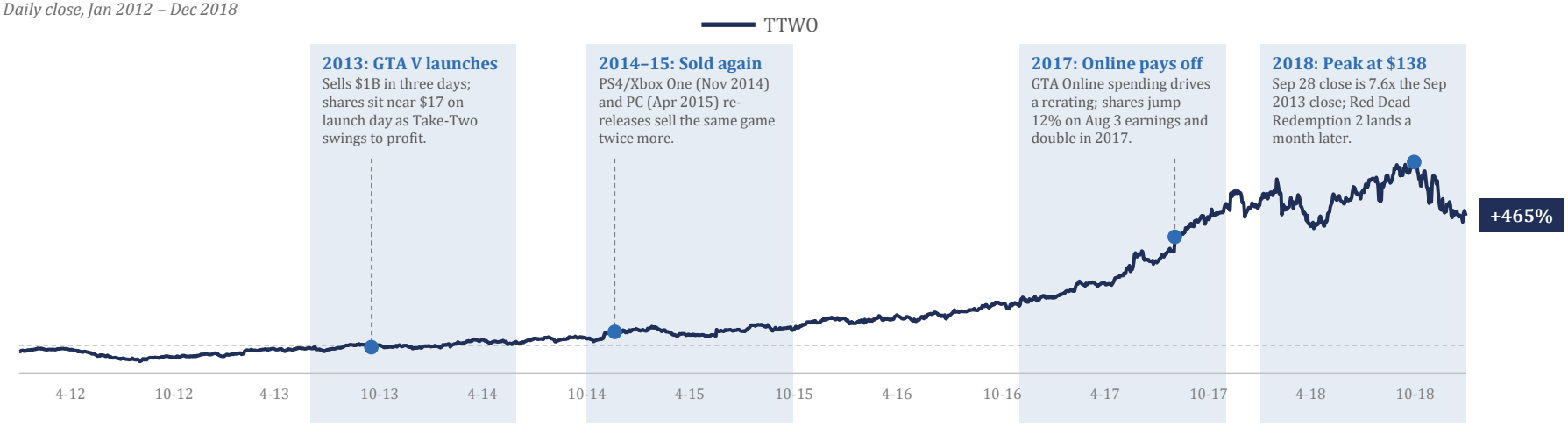
Take-Two Financials Around the GTA V Launch ($M)

	FY13 *Pre-launch*	FY14 *GTA V launch*	FY15 *PS4 / PC*	FY16	FY17	FY18 *+4 years*
Net revenue	1,215	2,351	1,083	1,414	1,780	1,793
Revenue growth		+94%	–54%[1]	+31%	+26%	+1%
EBITDA	16	429	(237)	18	122	180
EBITDA margin	1%	18%	–22%	1%	7%	10%
Operating cash flow	(5)	700	213	261	331	394

$1.9B *cumulative operating cash flow, FY14–FY18, vs. –$5M the year before launch*

TTWO Share Price Through the GTA V Cycle

Daily close, Jan 2012 – Dec 2018

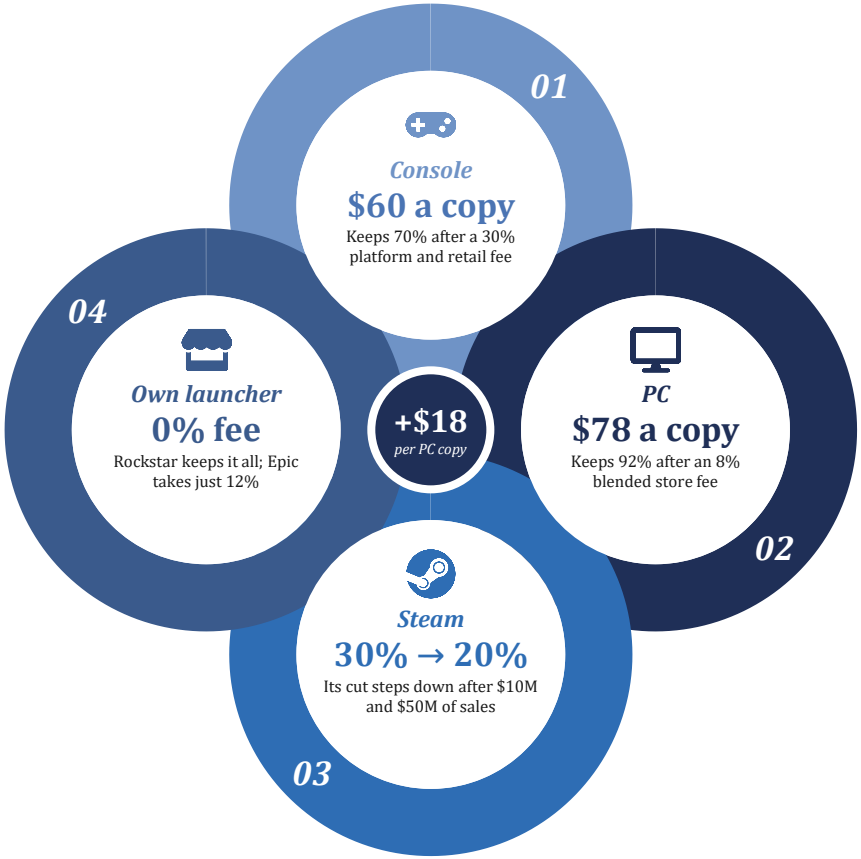


Sources: Take-Two FY2013–FY2018 Form 10-Ks; Bloomberg TTWO price history.

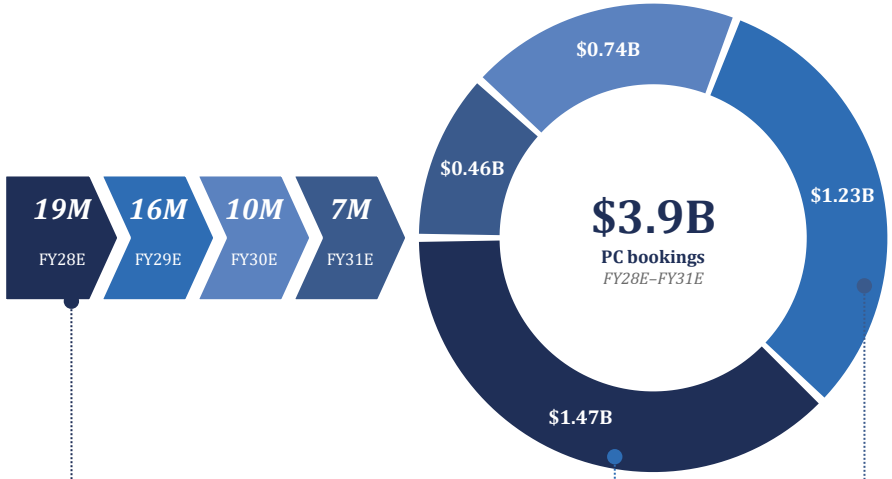
PC: The Higher-Margin Copy the Market Isn't Counting

Each PC copy keeps ~$78 vs. ~$60 on console in our model because store fees are lower; with no PC date announced, the $3.9B we model sits outside guidance; FY28E PC bookings ($1.47B) are ~61% of our $2.4B FY28 revenue gap to the Street

Why Every PC Copy Keeps More



52M PC Copies Sitting Outside Guidance



Outside guidance

No PC date is announced, so none of these copies sit in FY27 guidance.

Most of the gap

PC's $1.47B in FY28E is ~61% of the $2.4B gap between our FY28E revenue and consensus.

Full price to FY29

$84.99 holds through FY29E; PC discounts only start in FY30E.

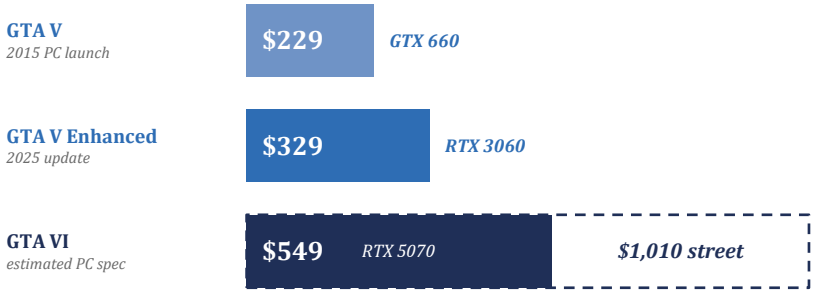
Sources: Steam and Epic Games Store fee policies; Take-Two FY2027 guidance; SIG model Revenue Playbook, FY28E net prices (30% console and 8% blended PC fees are model assumptions).

PC Demand VS Hardware Costs

AI demand has doubled memory and GPU prices, but most Steam PCs already clear expected specs and Rockstar has always scaled down; hardware costs are a timing risk for PC, not a demand killer

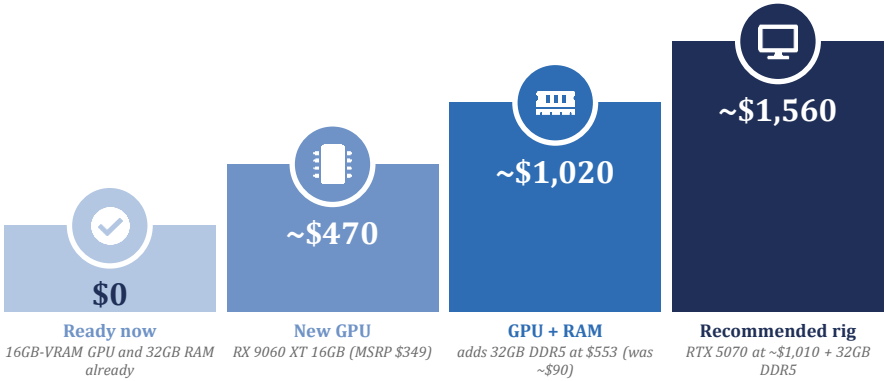
The Recommended GPU Keeps Getting Pricier

Price of the recommended graphics card at each GTA PC release



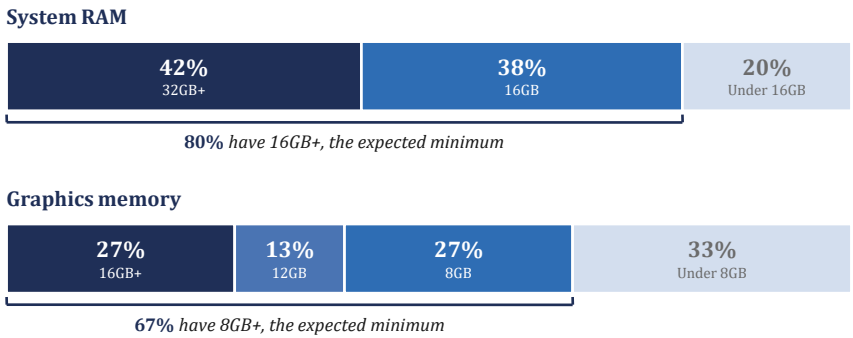
4.4x *what the recommended card costs today vs. GTA V's in 2015*

What a PC Player Pays to Get GTA VI-Ready

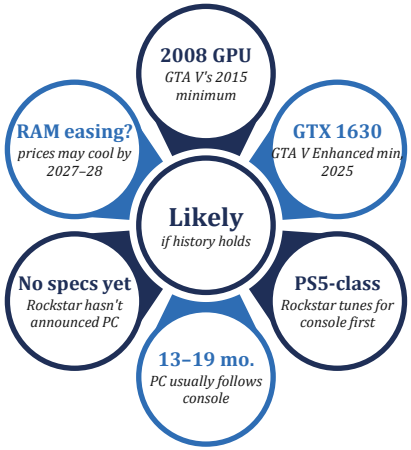


Most Steam PCs Already Clear the Bar

Share of Steam PCs, September 2026 hardware survey



Will GTA VI on PC Run on Today's Machines?



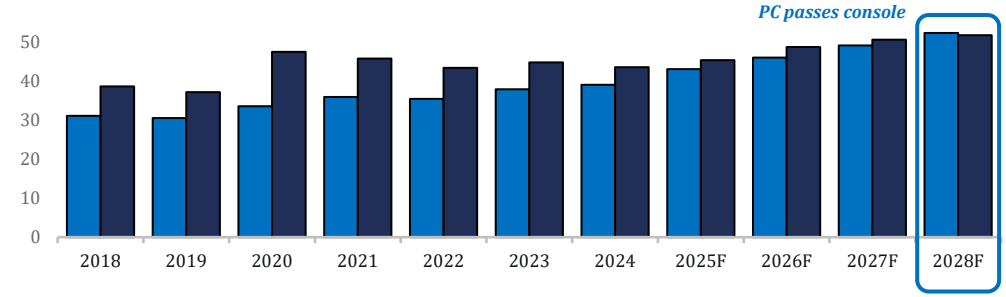
Sources: Steam Hardware Survey (Sep 2026); NVIDIA and AMD GPU pricing; SIG Technology assumptions.

GTA VI on PC: The Second Launch

PC gaming is growing faster than console and is set to pass it by 2028, which gives GTA VI a large second launch after the console release.

PC Overtakes Console by 2028

PC and console software revenues, USD billions | Global | 2018–2028F



PC CAGR 2025–28 **+6.6%**

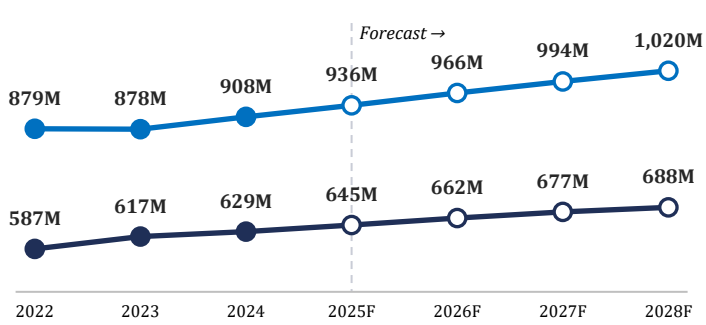
Driven by higher average selling prices and Valve's ecosystem deepening beyond its storefront.

Console CAGR 2025–28 **+4.4%**

Driven by major releases (incl. GTA VI), but limited player growth into the 2027–28 cycle.

Past One Billion PC Players

Yearly players per platform | Global | 2022–2028F

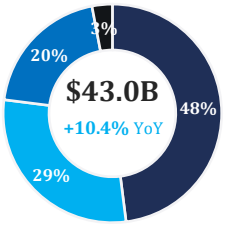


PC **+2.9%** a year to 2028 **Console** **+2.2%**

PC adds ~84M players from 2025 to 2028, vs. ~43M on console

Premium Grows Fastest on PC

PC revenue by business model | Global | 2025F



- Microtransactions **$20.6B** ↑ 10.6%
- Premium **$12.5B** ↑ 11.8%
- Downloadable content **$8.5B** ↑ 7.9%
- In-game subscriptions **$1.4B** ↑ 10.3%

Premium is the fastest-growing PC model. *Console grew 4.2% to $45.3B.*

PC Leads in $50+ Games

Revenue growth for >$50 games | 2022–2025 | US & EU5

+58% PC

+34% PlayStation

0% Xbox

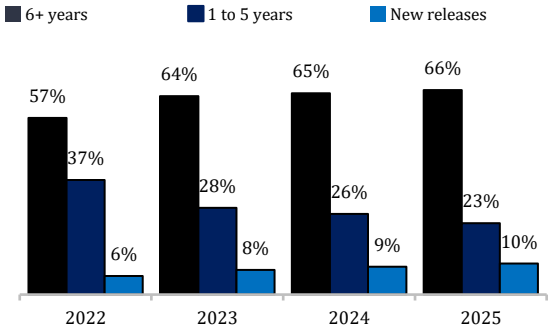
Top >$50 PC titles in 2025

by % of total PC revenue

1. Battlefield 6/REDSEC — 3.9%
2. EA Sports FC 26 — 1.3%
3. Monster Hunter Wilds — 1.1%
4. **Borderlands 4** *(Take-Two)* — 1.1%
5. EA Sports FC 25 — 0.8%

Old Games Own PC Playtime

% of yearly PC hours by age of title | 2022–2025



Two-thirds of PC hours *go to games six or more years old.*

Sources: Newzoo 2026 PC & Console Gaming Report and Global Games Market Report.

PC Hardware Readiness

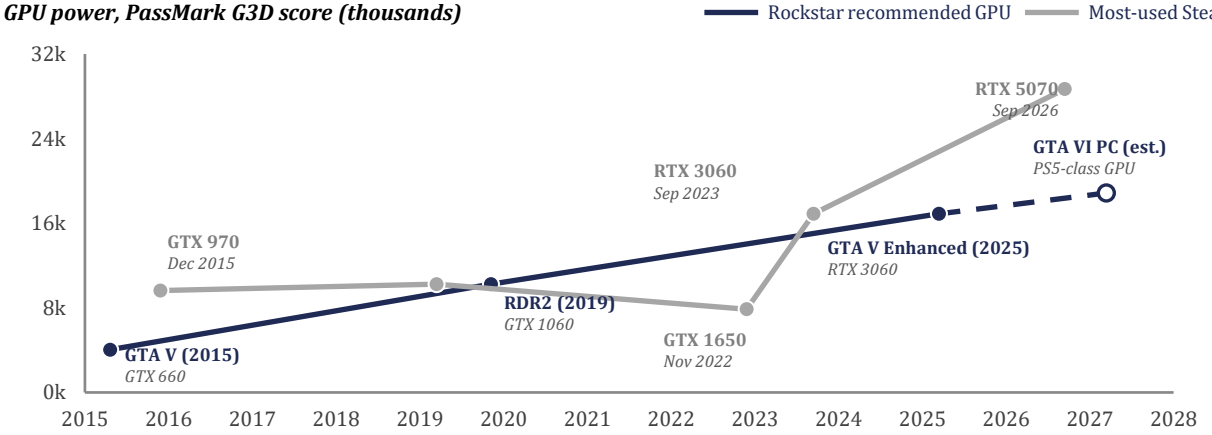
Most gamers' PCs can already run GTA VI at console quality, so the PC version should reach a wide audience when it launches.

Estimated GTA VI Performance by PC Budget

PC build (approx. price)	Graphics card	GPU power vs. PS5	Est. fps, console settings	Likely GTA VI experience
PS5 console (baseline)	PS5 GPU ≈ Radeon RX 6700	**1.0x**	**30**	Rockstar's console target at launch, Nov 2026
Typical gamer PC today	RTX 3060 (top Steam GPU, 2023–Aug 2026)	0.9x	~27	1080p, medium settings; near console
~$1,200	Radeon RX 7600 8GB	0.9x	~26	1080p, medium settings; near console
~$1,450	GeForce RTX 5060 Ti 8GB	1.2x	~36	1080p, high settings; 8GB limits textures
~$2,200	GeForce RTX 5060 Ti 16GB	1.2x	~36	1440p, high settings with upscaling
~$2,500	Radeon RX 9070 XT 16GB	1.4x	~43	1440p, high to ultra; 60 fps with upscaling
~$4,700	GeForce RTX 5080 16GB	1.9x	**~57**	4K, high settings with upscaling

GTA VI on PC is not yet announced and has no official specs; figures are our estimates. Est. fps = 30 fps console target × GPU power vs. PS5 (PassMark G3D; PS5 GPU ≈ RX 6700 = 18,856). Ignores CPU, VRAM and upscaling. Prices: Tom's Hardware builds, Oct 2026, incl. RAM.

Rockstar Requirements vs. the Typical Gamer PC



4.2x

GTA V's recommended GPU through updates: GTX 660 in 2015 to RTX 3060 with the 2025 Enhanced edition

1.5x

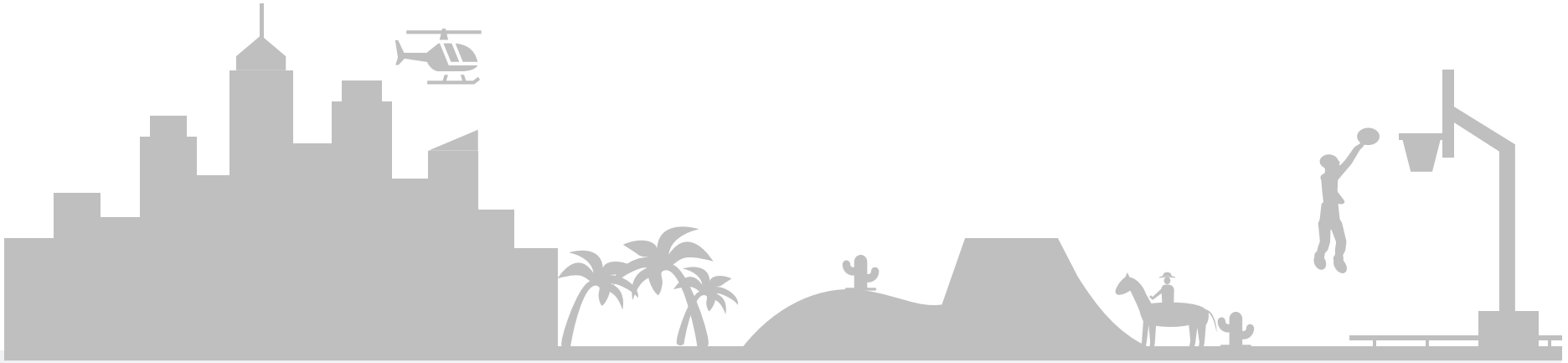
most-used Steam GPU (RTX 5070) vs. the PS5-class GPU GTA VI targets

~19 mo.

GTA V's console-to-PC gap; GTA IV took ~8 months

M&A Through the Years

Five years of deals bought Take-Two mobile scale through Zynga, the GTA roleplay community through FiveM and a third shooter franchise through Gearbox



FY21 ($192M)	FY21 (Undisclosed)	FY22 ($378M)	FY23 ($12.7B)	FY24 (Undisclosed)	FY25 ($460M)
DOTS, Ruffian games	hb studios, HookBang	NORDEUS, Dynamixyz, roll7	POPCORE, zynga, storemaven	A	gearbox software
Mobile puzzle hits; Ruffian became Rockstar Dundee	*Owns the PGA Tour 2K golf franchise*	*Top Eleven, facial-capture tech and OlliOlli*	*Mobile grew to about a third of bookings*	*GTA roleplay became an official Rockstar platform*	*Owns Borderlands outright; BL4 out Sep 2025*

Sources: Take-Two FY2021–FY2025 Form 10-Ks and acquisition announcements.

Downside

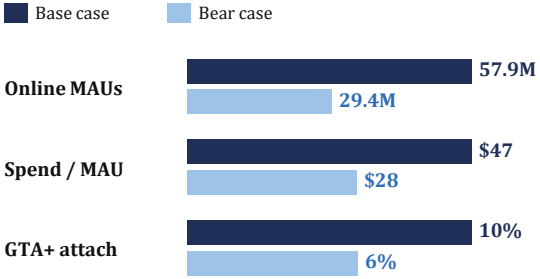
Our key risk is not that GTA VI fails at launch. It is that a record launch does not turn into the recurring Online revenue, earnings growth and cash flow our thesis depends on.



GTA VI launch succeeds → **1 Online** underdelivers → **2 Revenue** arrives later → **3 Growth slows,** multiple compresses → **Stock** underperforms

1 Weaker Online Monetization

What if fewer players stay and spend less? (FY31E)

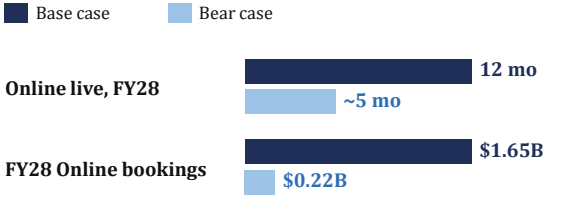


RESULT: FY31E ONLINE BOOKINGS

$3.11B → $0.94B

2 Delayed Revenue Realization

What if Online goes live seven months into FY28?

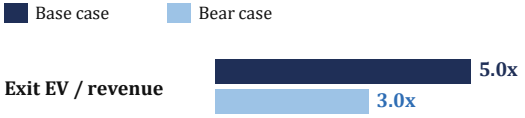


RESULT: FY28 ONLINE BOOKINGS

$1.65B → $0.22B

3 Lower Growth & Multiple Compression

What if the market pays a lower multiple?



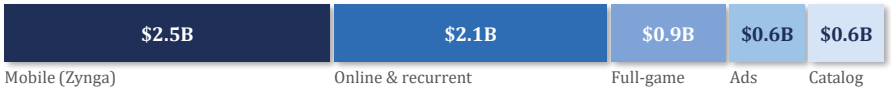
Applied to FY31E revenue: a lower multiple on a smaller revenue base compounds the downside.

RESULT

Earnings and multiple fall together

What Limits the Downside?

FY26 bookings with zero GTA VI: $6.7B



NBA 2K, Red Dead Redemption and Zynga mobile already fund Take-Two's own development.

The cushion

A diversified base keeps the company self-funding even if GTA VI Online disappoints.

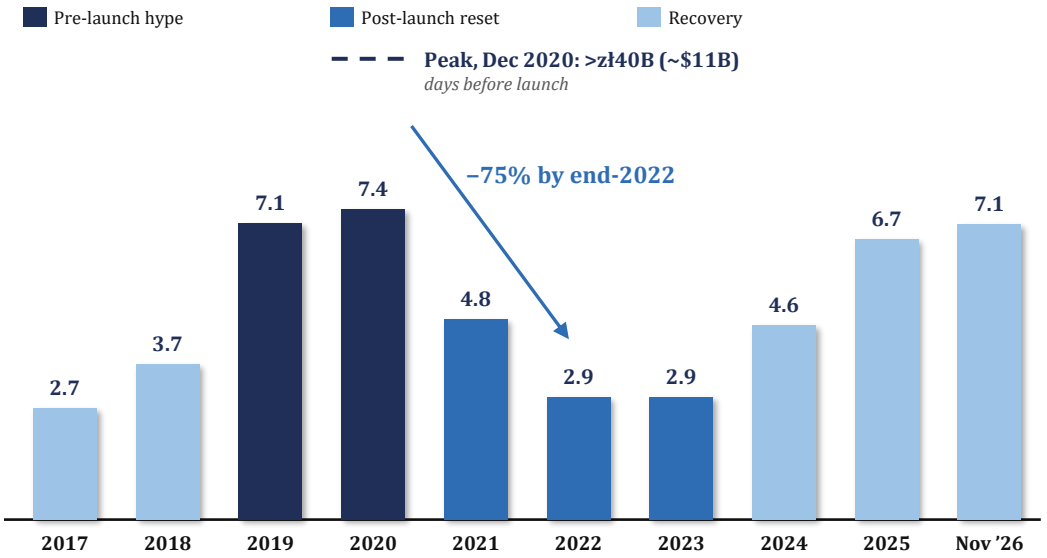
The limit

It cushions the downside but cannot fully offset a major shortfall in GTA VI's long-term Online monetization.

CD Projekt: What a Failed Launch Did to Value

Cyberpunk 2077's broken launch cut CD Projekt's value by ~75%, from a peak above zł40B (~$11B) to ~$2.9B by end-2022. Revenue fell with it, so the sales multiple stayed high: the loss was a reset in expectations, not a cheap re-rating.

Market Cap at Year-End ($B)



	2017	2018	2019	2020	2021	2022	2023	2024	2025	Nov '26
Revenue	$0.12	$0.10	$0.13	$0.56	$0.22	$0.21	$0.29	$0.24	$0.22	
Mkt cap ÷ rev	22x	37x	54x	13x	22x	14x	10x	19x	30x	

What Happened

Dec 2020
Launches with severe bugs on PS4 and Xbox One

Dec 2020
Sony pulls the game from the PlayStation Store; refunds offered

2021–22
Investor class action, later settled for $1.85M

2021–23
Patches, then the Phantom Liberty expansion (Sep 2023) rebuild the game

2024–26
Market cap recovers to ~$7B by Nov 2026

What It Means for Take-Two

The market punishes a broken launch fast

Even a prestige studio lost three-quarters of its value in under two years. Reputation, not just units, sets the multiple.

The multiple held; expectations did not

Market cap ÷ revenue stayed 10–20x+ through the reset. Value fell because future sales were cut, the same mechanism as our downside case.

Rockstar's choice is the opposite

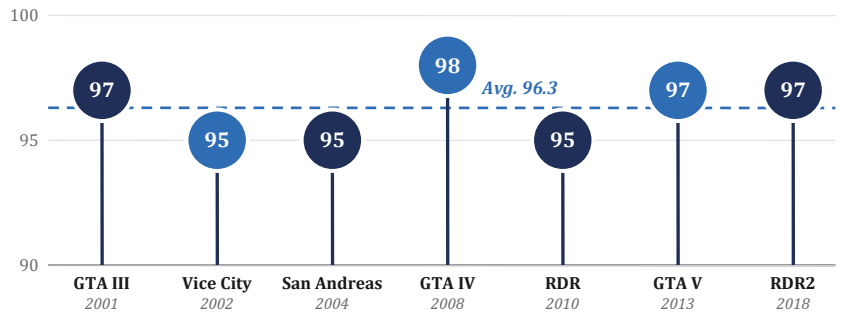
Rockstar has delayed GTA VI twice rather than ship it unfinished.

What If GTA VI Disappoints?

Rockstar's mainline games average 96 on Metacritic and preorders already top $600M; even our bear case meets FY27 guidance, though it implies $143 a share by FY31E

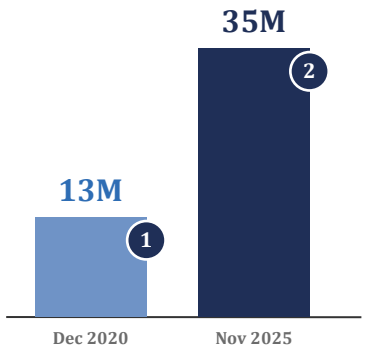
Rockstar Doesn't Miss

Metacritic score, every mainline GTA and Red Dead



Even Broken Launches Keep Selling

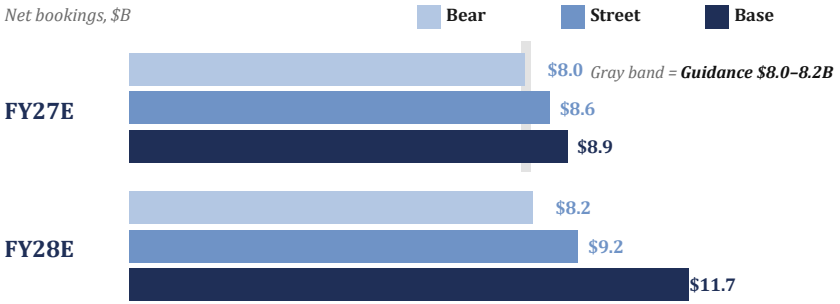
Cyberpunk 2077, copies sold



1. **Launch**
   Sold 13M in 10 days even though Sony pulled it from the PlayStation Store for bugs.
2. **Five years on**
   Patches and an expansion took it to 35M, 2.7x the launch figure.
3. **GTA Online**
   Its servers broke at the Oct 2013 launch; it still became GTA V's recurring-spend engine for a decade.

Our Bear Case Still Meets FY27 Guidance

Net bookings, $B



Bear = 35M console copies in FY27 (vs. 42M), 27% Ultimate, 45% of buyers playing online in year one at $25 per player (FY28). It meets FY27 guidance but sits 11% below the Street in FY28, and implies $143 a share (−33%) by FY31E.

The Demand Is Already Locked In

1. **$600M**
   Preorders before launch, 6.1M copies
   Paid before a single review exists (Sensor Tower, Oct 2026).
2. **89%**
   Chose the $99.99 Ultimate Edition
   Fans are paying up, not hedging on the cheaper copy.
3. **37–51M**
   Newzoo's week-one forecast
   Our 42M copies covers all of FY27, inside Newzoo's one-week range.

Sources: Metacritic; CD Projekt FY2025 report; Take-Two FY2026 Form 10-K; SIG Technology TTWO financial model (revised Nov 2026). Street bars unverified: source date and metric (net bookings vs. revenue) not confirmed; slide 69 shows a different FY27 Street average ($8.5B).

Piracy

GTA V was pirated and still sold 230M+ copies; GTA VI launches code-only on locked firmware, earns a growing share of its money online where pirates can't go, and even a fast PC crack costs about 2.5% of FY28 bookings

Four Piracy Fears, Checked

PS5 jailbreak

The fear: hackers crack the PS5 in time for launch.
The reality: the new jailbreak is private and can't boot game backups; GTA VI reportedly needs firmware 14.10 (Notebookcheck, Oct 2026).

Leaked build

The fear: a leaker dumps a playable copy.
The reality: only footage so far; a 113GB "build" looks fake, and the leaker's threat is unmet (Notebookcheck, Oct 10).



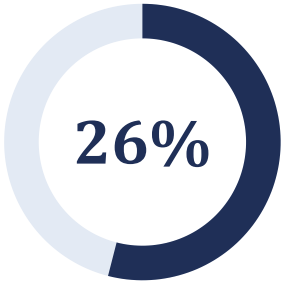
Ripped discs

The fear: discs get copied and shared.
The reality: there is no disc. Boxes hold a download code; Take-Two is "well over 90%" digital (Zelnick, Aug 2026).

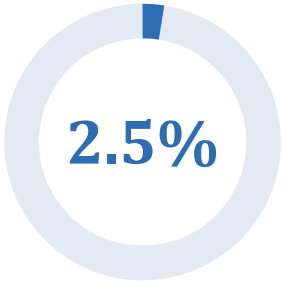
PC cracks

The fear: PC gets cracked on day one, like GTA V.
The reality: PC lands 13–19 months after console (GTA V, RDR2 pattern), and a crack after 12 weeks costs ~0% of sales (UNC study, 2024).

What Piracy Can Actually Reach



of FY31E bookings is GTA VI Online on Rockstar's servers
$3.11B GTA VI Online ÷ $11.76B total bookings
Our Revenue Playbook. Shark Cards and GTA+ can't be pirated; other recurrent spending (NBA 2K, Zynga) is excluded here.



of FY28E bookings: PC-only worst case
20% × $1.47B PC bookings = $0.29B ÷ $11.72B
20% = avg. revenue lost when cracked inside 12 weeks (UNC Denuvo study, 2024)

Piracy Never Stopped Rockstar

230M+
GTA V copies sold-in through leaks and pirated PC copies (Take-Two, Aug 2026)

87M+
Red Dead Redemption 2 copies sold-in (Take-Two, Aug 2026)

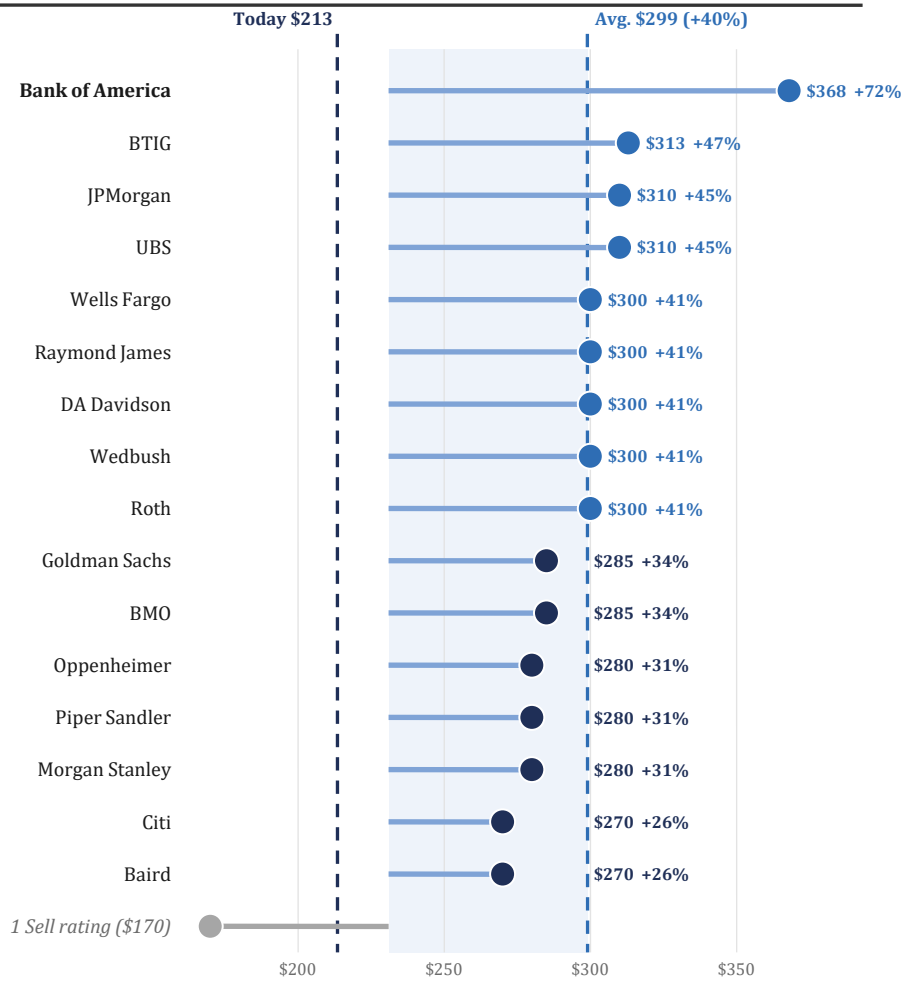
#2
best-selling game ever, behind Minecraft; an EU study found no proof piracy cuts game sales (Ecorys, 2017)

Sources: Take-Two FY2026 Form 10-K; UNC piracy study (2024); Ecorys (2017); SIG Technology TTWO financial model.

SELL-SIDE

Wall Street is almost entirely bullish: 28 of 29 analysts rate TTWO a Buy, and the average target of $299 is about 40% above today's price.

Every Named Target vs. Today



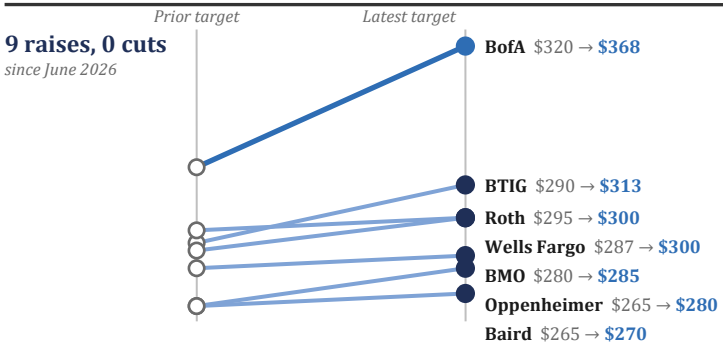
Ratings: Nearly Unanimous



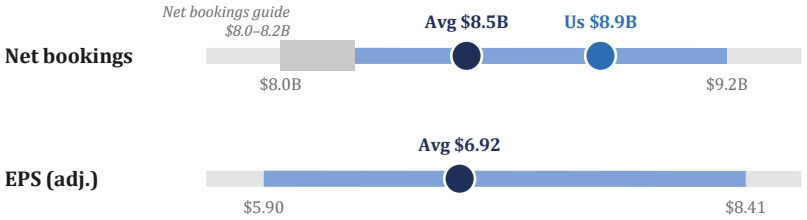
28 of 29
analysts rate it a Buy

Strong Buy 25 **Buy 3** **Hold 0** **Sell 1**

Targets Only Went Up Through the Selloff



FY27 Estimates: Street vs. Guidance vs. Us



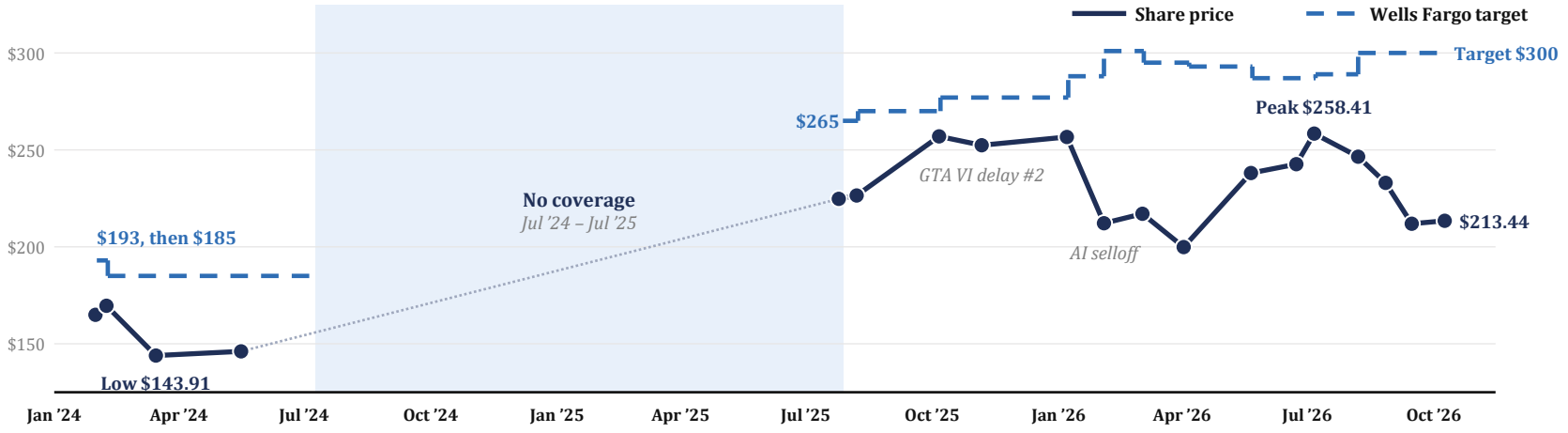
Guide and our $8.9B are FY27 net bookings; Street range per Bloomberg (basis not confirmed). Street FY27 EPS +69% on the year

Sources: Bloomberg analyst targets and consensus (Oct 2026); Take-Two FY2027 net bookings guidance; SIG Technology TTWO financial model.

What the Street Thinks: Bank Price Targets

Wells Fargo ($300) and J.P. Morgan ($310) see 41–45% upside from today's $213.47, and both raised targets even as the stock fell from its summer peak; our $331.89 base case sits above both

Wells Fargo: Share Price vs. Price Target (Rated Overweight Throughout)



Where the Targets Sit vs. Today



J.P. Morgan's Target Path



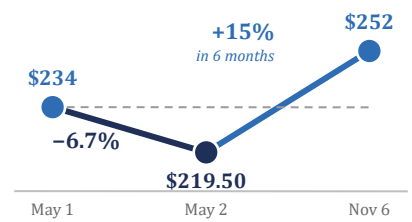
- Both peaked in summer '26 ($258 WF, $254 JPM), then fell ~17–21% before earnings.
- Targets went up anyway, so the gap between price and target kept widening.

GTA VI delay history and catalyst calendar

"GTA VI's two delays didn't hurt the stock for long, and with the November 19 date now locked in, the next catalysts are launch-week sales and early Online numbers.

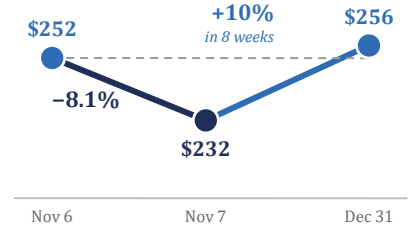
Two Delays, Both Bought Back

1 **May 2, 2025: Fall '25 to May 26, '26**



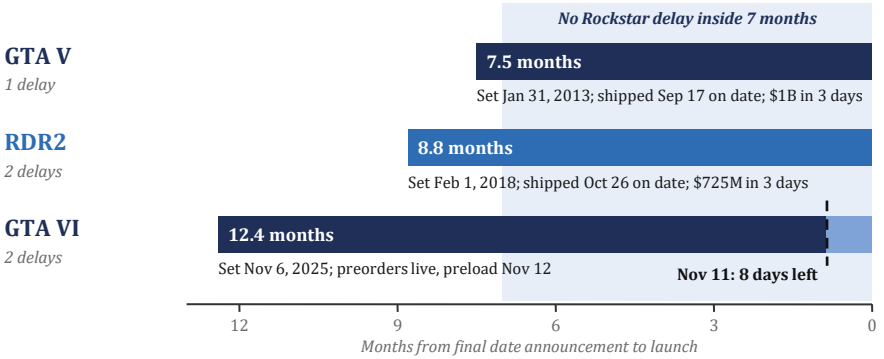
Trailer 2 landed 4 days later and set a record: 475M views in 24 hours.

2 **Nov 6, 2025: May '26 to Nov 19, '26**



Guidance was raised the same night; the stock was above its pre-delay price by year-end.

Rockstar Locks Its Final Date 7+ Months Out



Already Behind Us

- **May 6, '25** — **Trailer 2** 475M views in 24 hours, Rockstar's biggest video launch ever
- **Nov 6, '25** — **Final date set** Nov 19, 2026 announced with raised FY26 guidance
- **Jan 9, '26** — **Delay rumor** Bloomberg called it misinformation; the date held
- **Jun 25, '26** — **Preorders open** $79.99 / $99.99; a record $260M in week one
- **Aug '26** — **Q1 FY27 call** Zelnick: preorders "unprecedented"; Nov 19 reconfirmed; stock +5%
- **Oct 15, '26** — **Launch trailer** 47M YouTube views in 3 days, past GTA V's 13-year total
- **Oct 17, '26** — **Rockstar to Bloomberg** "Now it's done, and we're not going to rip it apart"

What's Next: November 2026

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

- **Nov 9** Q2 FY27 reported after close: the $8.0–8.2B FY27 net bookings guide held; stock +8% the next day.
- **Nov 12** Digital preload opens; the build has to clear Sony and Microsoft certification first.
- **~Nov 18** Reviews expected the day before launch (not yet confirmed).
- **Nov 19** Launch on PS5 and Xbox Series X|S.

After launch



Sources: Bloomberg TTWO price history; Take-Two investor relations; Rockstar Games announcements; SIG Technology analysis.

The Catalyst Calendar After GTA VI

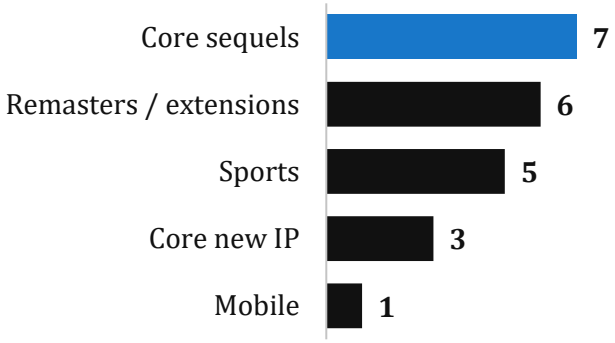
29 titles through FY29 mean Take-Two does not go quiet after November; the base keeps compounding while GTA VI builds its tail

Launch Timeline: FY26 to FY29

2K · Zynga / mobile · Rockstar

FY26 *Apr 2025 to Mar 2026*	FY27 *Apr 2026 to Mar 2027*	FY28 *Apr 2027 to Mar 2028*	FY29 *Apr 2028 to Mar 2029*
Mafia: The Old Country (Aug)	NBA 2K27 (Sep 4)	NBA 2K28 (annual) *Expected*	NBA 2K29 *Expected*
Borderlands 4 (Sep)	**GTA VI (Nov 19, 2026)**	Judas (new IP) *TBA*	Project ETHOS (new IP) *TBA*
NBA 2K26 (Sep)	WWE 2K27 (annual) *Expected*	Top Goal (mobile) *TBA*	Sequels and remasters *TBA*
WWE 2K26 (Mar)	CSR 3 (mobile) *TBA*	GTA VI PC and Online *TBA*	
Color Block Jam: Top 5 title			

FY28 to FY29 Pipeline: 22 Titles



29 titles total from FY27 to FY29 (per Take-Two's May 2026 investor presentation)

Why the Base Holds vs. What to Watch

Why It Holds	What to Watch
Annual Reset: NBA 2K and WWE 2K relaunch yearly; NBA 2K recurrent spend guided up high single digits	**Mobile Slowdown:** Q1 FY27 mobile bookings fell **7%**, lapping Color Block Jam's launch
Higher Margins: direct-to-consumer mobile payments; gross margin **57.2%**	**Rising Install Costs:** mobile downloads **-25%** in H1 2026, cost per install **+30%** (Newzoo)
Deep Pipeline: 22 titles in FY28 to FY29 spread the hit risk	**Playtime Overlap:** GTA VI may pull 2K playtime and spend in year one

FY27 recurrent spending is guided **flat**; the base **cushions GTA**, it does not grow on autopilot.

Sources: Take-Two FY2026 Form 10-K and May 2026 investor presentation; Circana; Newzoo; SIG Technology TTWO financial model.