

GameStop®

POWER TO THE PLAYERS®

Q3 2017 Earnings

November 21, 2017

GameStop
POWER TO THE PLAYERS

ES GAMES

gameinformer

MICROMANIA

simply mac

springmobile

THINK333D

GAMETRUST

Safe Harbor

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may include, but are not limited to, the outlook for fiscal 2017, future financial and operating results and projections, projected store openings, timing and terms of potential acquisitions, the company's plans, objectives, expectations and intentions, and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of GameStop's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. GameStop undertakes no obligation to publicly update or revise any forward-looking statements. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: the inability to obtain sufficient quantities of product to meet consumer demand, including console hardware and accessories; the timing of release and consumer demand for new and pre-owned video game titles; our ability to continue to expand, and successfully open and operate new stores for, our collectibles and tech brands businesses; risks associated with achievement of anticipated financial and operating results from acquisitions; our ability to sustain and grow our console digital video game sales; the timing and amount of recognition of tax attributes; the risks associated with international operations, wireless industry partnerships and operations and the completion and integration of acquisitions; increased competition and changing technology in the video game industry, including browser and mobile games and digital distribution of console games, and the impact of that competition and those changes on physical video game sales; the costs and consequences of legal proceedings and tax audits; and changes in domestic or foreign laws and regulations that reduce consumer demand for, or increase prices of, our products or otherwise adversely affect our business. Additional factors that could cause GameStop's results to differ materially from those described in the forward-looking statements can be found in GameStop's Annual Report on Form 10-K for the fiscal year ended Jan. 28, 2017 filed with the SEC and available at the SEC's Internet site at <http://www.sec.gov> or <http://investor.GameStop.com>.

GameStop is a Global Specialty Retailer

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

VIDEO GAMES

No. 1 Market Share in 13 countries
\$13 Billion Addressable US Market



GameStop POWERUP
55 million members worldwide

gameinformer.

2017E: \$7B

DIGITAL

\$1 Billion Digital Business
\$8 Billion Addressable US Market



STEAM

PlayStation Plus

XBOX LIVE

Game Pass

GAME TRUST

2017E: >\$1B

COLLECTIBLES

\$12 Billion Addressable US Market



MONOPOLY STAR WARS

FUNKO POP CULTURE

ZING

THINKGEEK
JOIN IN. GEEK OUT.

2017E: \$.7B

TECHNOLOGY BRANDS

\$200+ Billion Addressable US Market



AT&T

spring mobile

simply mac

2017E: \$.9B

Q3 2017 Highlights

- Consolidated comparable store sales increased 1.9% versus prior year quarter, reflecting growth for the third consecutive quarter
- New hardware sales increased 8.8% due to continued strength in Nintendo Switch sales
- New software sales grew 5.4% versus prior year quarter, driven by a strong title lineup
- Collectibles sales increased 26.5% versus prior year quarter
- Omnichannel sales increased 38.6% versus prior year quarter

Q3 2017 Financial Overview

Consolidated Performance Summary

| (In millions, except EPS and %'s) | Q3 2017 | Q3 2016 |
|-----------------------------------|--------------------|------------------|
| Total Sales | \$1,988.6 +1.5% | \$1,959.2 |
| Comp SSS | +1.9% | |
| Gross Margin | \$689.4 34.7% | \$708.2 36.1% |
| Operating Earnings (adjusted) | \$80.8 -18.2% | \$98.8 |
| Net Income (adjusted) | \$55.1 +8.5% | \$50.8 |
| Diluted EPS (adjusted) | \$0.54 +10.2% | \$0.49 |

Q3 20 17 Sales Category Highlights

| (In millions, except %'s) | Q3 20 17 | Q3 20 16 |
|---------------------------|---------------------------|------------------|
| New hardware | \$309.5 +8.8% | \$284.4 |
| New software | \$649.9 +5.4% | \$616.6 |
| Pre-owned/ Value | \$458.5 -2.4% | \$470.0 |
| Video Game Accessories | \$136.4 -12.6% | \$156.0 |
| Digital | \$37.2 -16.8% | \$44.7 |
| Technology Brands | \$194.2 -10.2% | \$216.3 |
| Collectibles | \$138.4 +26.5% | \$109.4 |
| Other | \$64.5 +4.4% | \$61.8 |
| Total Sales | \$1,988.6 +1.5% | \$1,959.2 |

Q3 20 17 Gross Profit by Category

| (In millions, except %'s) | Q3 20 17 | Q3 20 16 |
|---|-------------------------|-------------------------|
| New hardware | \$36.8 11.9% | \$37.3 13.1% |
| New software | \$155.9 24.0% | \$150.0 24.3% |
| Pre-owned/ Value | \$199.7 43.6% | \$218.0 46.4% |
| Video Game Accessories | \$48.5 35.6% | \$49.6 31.8% |
| Digital | \$34.1 9.17% | \$35.0 78.3% |
| Technology Brands | \$14.14 72.8% | \$159.6 73.8% |
| Collectibles | \$52.7 38.1% | \$39.7 36.3% |
| Other | \$20.3 31.5% | \$19.0 30.7% |
| Total Gross Profit Gross Margin | \$689.4 34.7% | \$708.2 36.1% |

20 17 Guidance

| (In millions, except EPS and % 's) | FY 20 17E |
|------------------------------------|-------------------------------------|
| Same Store Sales | Positive low -to- mid single digits |
| Income Tax Rate | ~31.0% |
| Net Income | \$320.0 to \$354.0 |
| Diluted EPS* | \$3.10 to \$3.40 |

*Diluted EPS guidance is based on weighted average shares outstanding of 10 1,500,000

2017 Projected Cash Flow Use

Sources

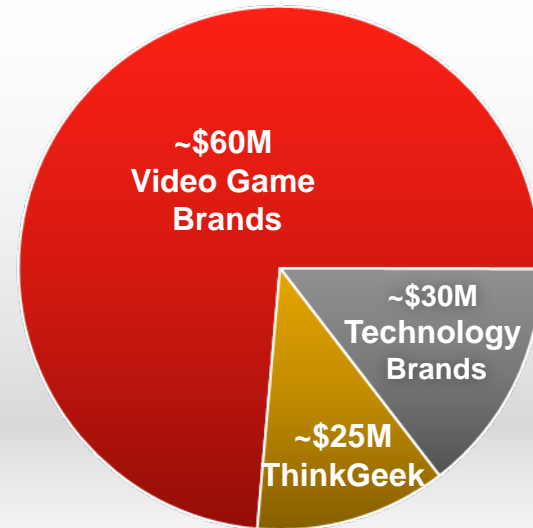


~\$300 M of FCF

Priorities for FCF

- Dividend
- Potential M&A
- Share repurchases

\$110 to \$120 M of Capital Expenditures



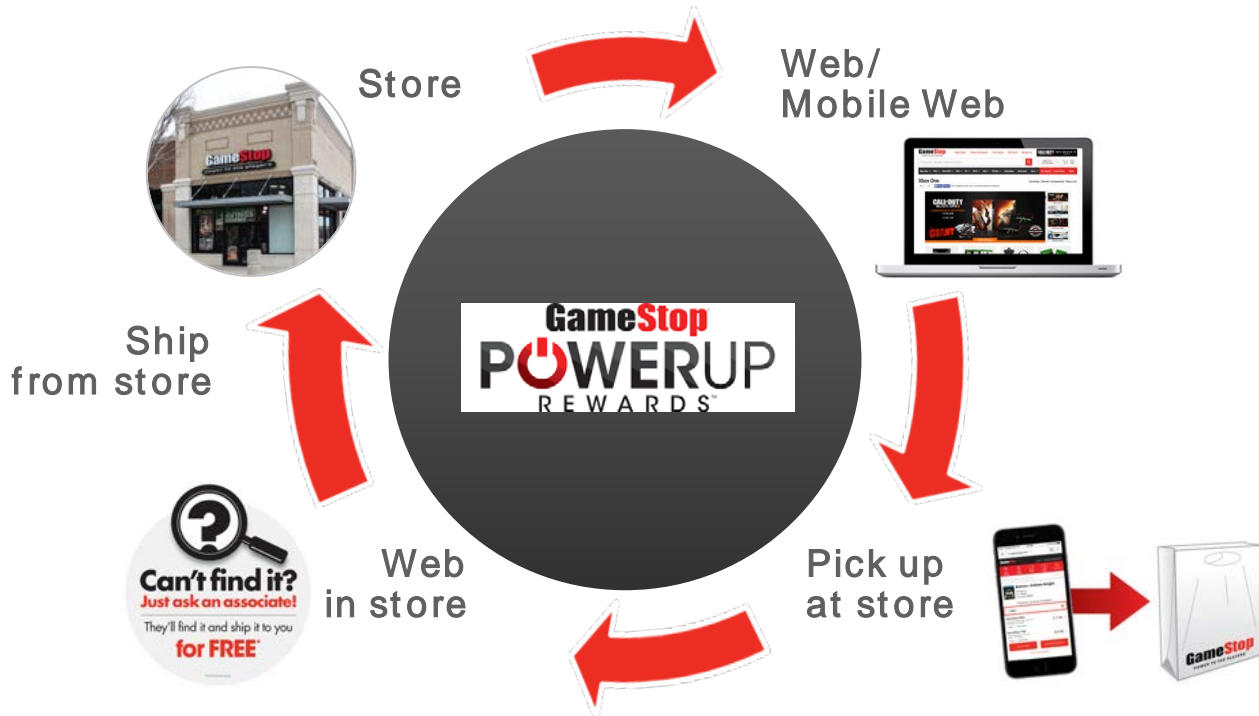
Collectibles Business

“Loot” sales are expected to grow 30% to 40% in fiscal 2017

- Increasing the amount of space dedicated to collectibles across our global store footprint and opening standalone collectibles stores
- Entering into licensing agreements with major IP holders to produce unique, exclusive products
- Leveraging our loyalty programs in each country to drive relevant product around a robust launch schedule
- Hired an accomplished brand management and product licensing leader to serve in a newly created position as Senior Vice President of Collectibles



Omni-Channel is Growing the Business



>60% of our transactions now involve BOTH online and a physical store

PowerUp Rewards – A Core Strategic Asset



| | |
|------------------|-------------|
| U.S. Penetration | % of Sales |
| 1 in 5 | 70+% |
| | |
| Sales | Profits |
| 3X | 5X |

Personalized Offers

GameStop
POWER TO THE PLAYERS

BUY GAMES FOLLOWED BY **GAMESTOP POWERUP REWARDS**

GAMESTOP COLLECTIBLES **COLLECTIBLES**

INJUSTICE 2
5.16.17

THE LINES ARE REDRAWN

Experience your favorite DC characters in a new way as you fight your way through the DC Universe.

PRE-ORDER NOW

PREORDER **DARKSEID**

Last chance to pre-order Injustice 2 for the Darkseid character, pose, and exclusive new GameStop jersey.

DLC Targeting

GameStop

INJUSTICE 2
ULTIMATE HERO TO EVERY BATTLE

\$39.99

BUY NOW

INCLUDES: FIGHTER PACK 1, HEROIC MISSIONS, DARKSEID MISSIONS, AND THE INJUSTICE 2 ULTIMATE PACK WITH INCLUSIVE 2-DIGITAL ARTWORK, PLAYABLE CHARACTERS AS THEY ARE RELEASED.

AMP UP YOUR FIGHT
WITH HEROIC GAME ADD-ONS

FIGHTER PACK
INCLUDES:
- 2000 SHARDS BURN
- POWER RING PREMIER BURN
- 2 PLAYABLE CHARACTERS
- 1000 ZERO
- 1000 HEROES
- 1000 RED

BUY NOW

Trade Generation

Use your trade-in to get the **GameStop** Ultra Thin Wallet & Protective Case \$10.00

SKYLER, YOU HAVE 4 GAME(S) WORTH \$74.25 IN CREDIT

Provisional value guaranteed through 8/31/17

| | | | |
|---------------------|---------------------|---------------------|---------------------|
| \$20.00 Base Credit | \$20.00 Base Credit | \$17.00 Base Credit | \$17.25 Base Credit |
| \$22.00 In-Credit | \$22.00 In-Credit | \$19.25 In-Credit | \$19.00 In-Credit |

STACK UP. SAVE MORE.

TRADE IN **2/4/6** GAMES & GET **20%/40%/60%** EXTRA CREDIT

CHECK TRADE VALUES

Collectibles Marketing

GameStop

TRADING CAPSULE #3

LIMITED-RUN MYSTERY BOX OF COLLECTIBLES DELIVERED TO YOUR DOOR!

RECEIVE 1 OF 4

THE FUNKO POP! FIGURES YOU CAN TRADE

JUSTICE LEAGUE
RECEIVE 1 OF 4

DOCTOR WHO
JUSTICE LEAGUE

EXCLUSIVE EXCLUSIVES

GET CAPSULE #3

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Thank you

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EBGAMES

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THINKGREEN

 **GAMETRUST**