Take-Two posts higher 3rd-qtr net income

The Associated Press

Video game publisher Take-Two Interactive Software Inc. said Tuesday that its fiscal third-quarter net income grew, thanks to strong holiday sales of games such as "NBA 2K11" and "Red Dead Redemption," even though its overall revenue fell,

For the three months that ended Dec. 31, the company earned $40.9 million, or 45 cents per share, up from earnings of $37.9 million, or 43 cents per share, in the same period a year earlier. Excluding discontinued operations and one-time items, Take Two said it earned 52 cents per share in the latest quarter.

Analysts — who typically exclude one-time items — on average expected earnings of 34 cents per share, according to Thomson Reuters.

Revenue slipped to $334.3 million from $360.4 million, but it handily beat analysts' expectations of $310.5 million.

The company recently changed the end date of its fiscal year to March 31 from Oct. 31.

For the current quarter, which ends March 31, Take-Two forecast an adjusted loss of 45 cents to 40 cents per share on revenue of $130 million to $150 million.

Analysts surveyed by Thomson Reuters are predicting a loss of 51 cents per share on revenue of $135.1 million.

For the full year, Take Two expects to earn 80 cents to 85 cents per share.

Chairman CEO Strauss Zelnick said the company continues to perform well and he's "thrilled" about Take-Two's upcoming game lineup. The long-awaited shooter "Duke Nukem Forever" and Rockstar Games-published "L.A. Noire" both hit stores in May.

Echoing comments by Electronic Arts a week ago, Zelnick said while overall video game industry sales figures are showing a decline, games for the Xbox 360 and the PlayStation 3 continue to do well.

Shares of the New York-based company climbed 19 cents to close at $14.54. They rose 19 cents after hours.

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