

Take-Two's 3Q profit shrinks, cuts outlook

The Associated Press

Video game publisher Take-Two Interactive Software Inc. said Thursday that its net income dropped by 65 percent in its fiscal third quarter as the NBA lockout affected sales of the company's new "NBA 2K12" game.

Take-Two also cut its outlook for the fiscal year because it's delaying the release of its "Max Payne 3" game.

For the three months ending Dec. 31, the company said it earned \$14.1 million, or 16 cents per share. That's compared with \$40.9 million, or 45 cents per share, in the year-ago period.

Not including one-time items related to a debt sale, the company said it earned 27 cents per share. By that measure, analysts on average expected 23 cents per share.

Total revenue for the quarter dropped 29 percent to \$236.3 million from \$334.3 million. The company said the NBA lockout hurt sales of its new "NBA 2K12" game, and that the year-ago results were boosted by strong sales of newly released games including "Red Dead Redemption: Undead Nightmare" and "Grand Theft Auto IV: Complete."

The company is working on the latest installment in the "Grand Theft Auto" franchise.

Take-Two cut its outlook for the fiscal year ending in March, because it will release the "Max Payne" game in May, with one version for PCs coming out internationally in June. The game was supposed to be released in the current quarter.

For the year, the New York company now expects a loss of 75 cents to 60 cents per share, excluding one-time items, on revenue of \$790 million to \$840 million. Analysts polled by FactSet were expecting a loss of 32 cents on revenue of \$865 million.

In November, Take-Two had forecast net income of 10 cents to 35 cents per share on revenue of \$1 to \$1.1 billion for the year.

The company's share advanced 28 cents, or almost 2 percent, to \$16 in after-hours electronic trading, after closing down 4 cents at \$15.72.

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