



THE GAME GROUP PLC

Preliminary Results

12 months to 31st January 2008

Lisa Morgan

Chief Executive

Highlights

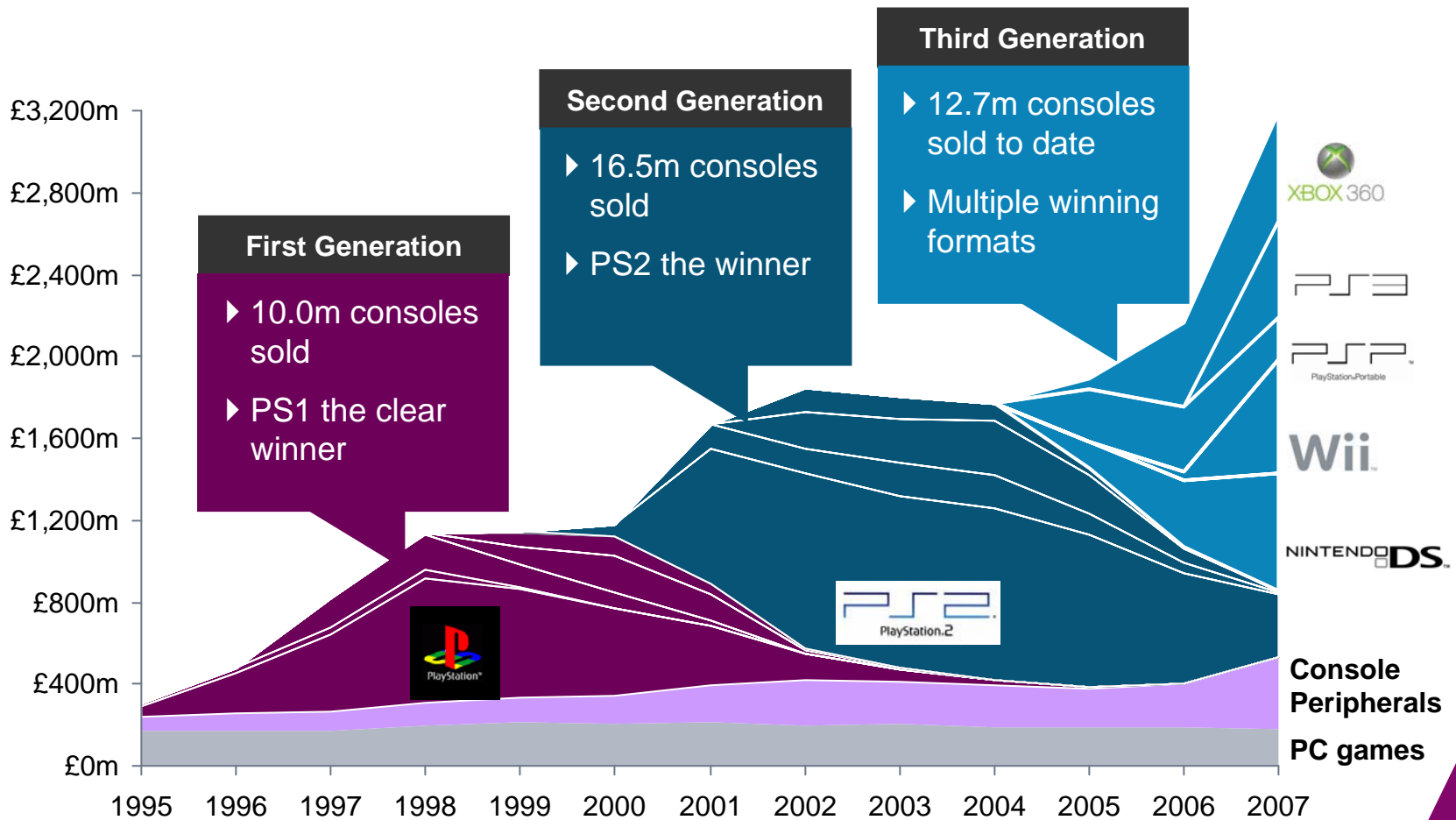
- ▶ Sales growth of 86% and lfl sales up 41.2%
- ▶ Record PBT* of £75.5m
- ▶ Strong Christmas trading
- ▶ Successful Gamestation acquisition
- ▶ Growth in all international markets
- ▶ Continued growth of eCommerce

*before non-recurring costs

Broadening Appeal of Video Games

- ▶ Unprecedented number of formats available
- ▶ Increasing mass market appeal
- ▶ Significantly growing installed base
- ▶ Innovative range of products

Market Evolution



Source: Chart track, hardware, software and peripherals UK only

Finance and property review

David Thomas

Group Finance Director
and Deputy Chief Executive

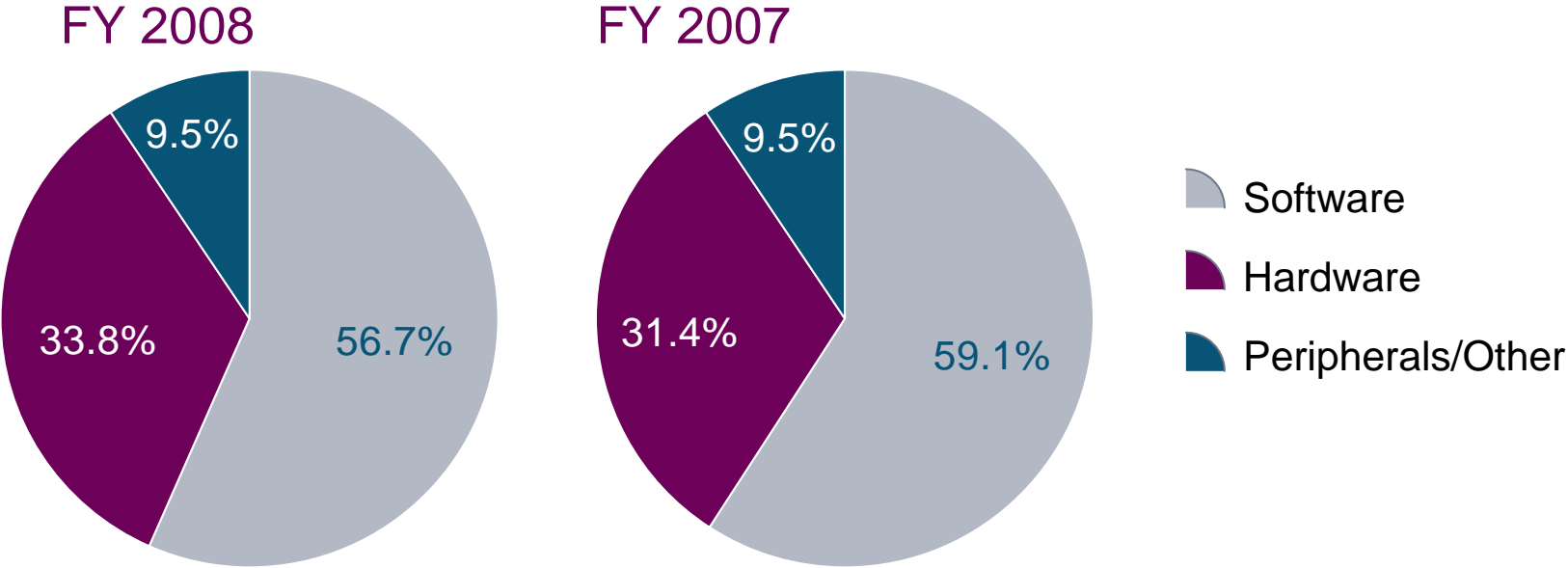
Income Statement

Year ended 31 st January (£m)	2008	2007
Turnover	1,491.9	801.3
Gross margin %	24.8%	27.2%
Operating expenses	294.4	184.8
Operating profit	75.2	33.0
Net interest payable	(6.8)	(3.5)
Pre tax profit	68.4	29.5
Tax charge (effective rate)	31.0%	28.3%
Dividend per share	4.40p	2.93p

Turnover Analysis

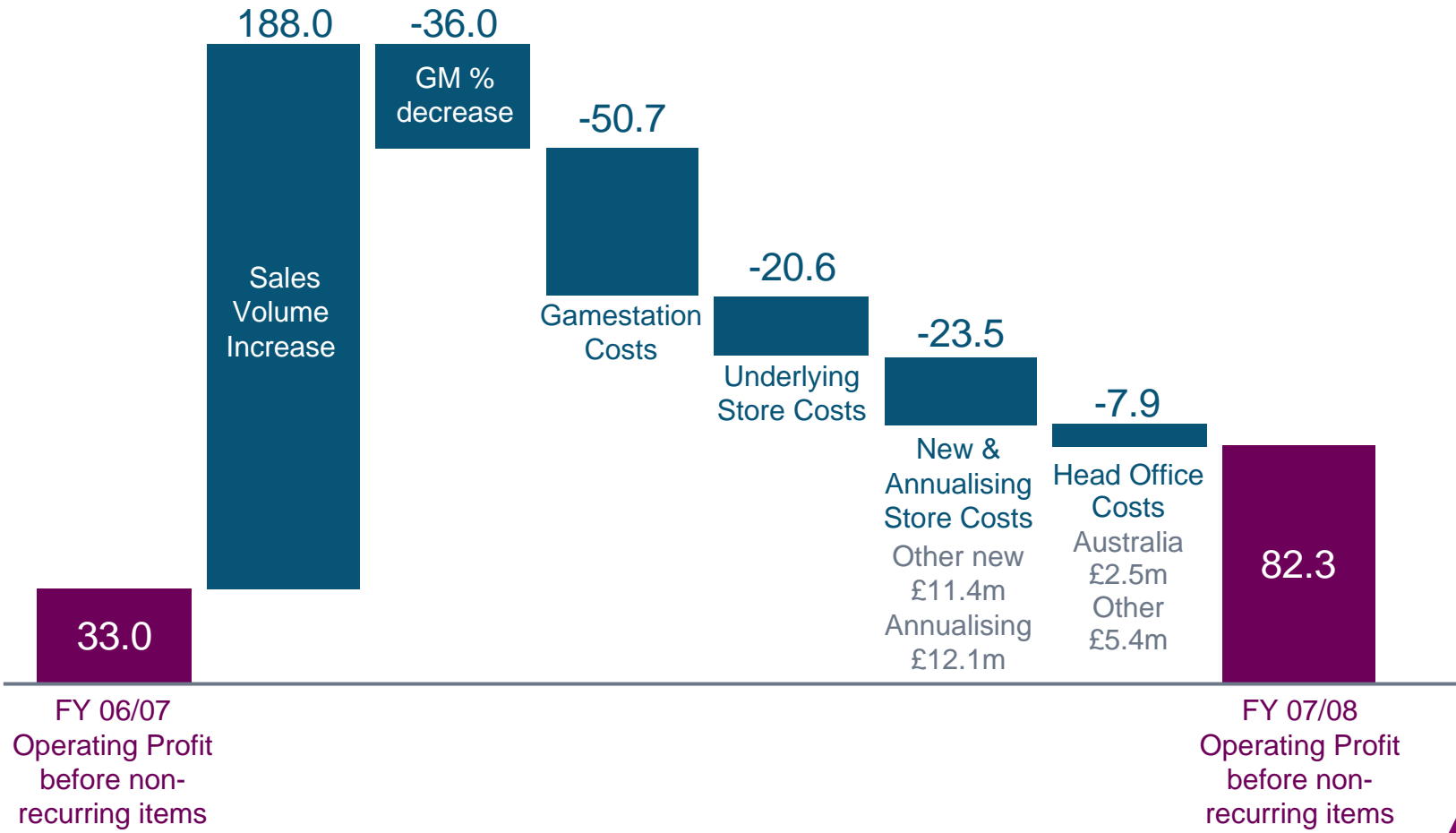
Year ended 31 st January (£m)	2008	2007
GAME	832	586
Gamestation	273	-
Total - UK	1,105	586
France	141	81
Iberia	176	98
Scandinavia	43	31
Australia	27	5
Total - International	387	215
Group Total	1,492	801

GAME Sales Mix



Operating Profit Bridge

(£m)



Income Statement Extract

Year ended 31 st January (£m)	2008	2007
Net interest payable	(6.8)	(3.5)
Pre tax profit	68.4	29.5
Tax charge (effective rate)	31.0%	28.3%
Dividend per share	4.40p	2.93p

Balance Sheet

Year ended 31 st January (£m)	2008	2007
Tangible fixed assets	131	101
Intangible fixed assets	173	102
Stock	145	85
Trade creditors	(315)	(150)
Net cash	42	1
Other	28	18
Net assets	204	157

Cash Flow Highlights

Year ended 31 st January (£m)	2008	2007
Cash inflow from operations	97.1	47.9
Working Capital Movements	74.9	(13.0)
Cash flow generated from operations	172.0	34.9
Capital expenditure and financial investment	(38.2)	(20.6)
Acquisitions	(80.9)	(9.0)
Dividends paid	(10.5)	(8.9)
Share movements	(0.9)	1.8
Increase/(Decrease) in Cash	41.5	(1.8)
Year end net cash	42.1	0.6

Gamestation

- ▶ The cost of the acquisition was £80m
- ▶ Revenue and operating profit post acquisition – £273m & £12m
- ▶ £7.1m of non-recurring costs
 - £4.2m for regulatory enquiry - OFT/Competition Commission
 - £2.9m for integration
- ▶ Future cost
 - £4.1m integration
 - £4.0m capital expenditure
- ▶ Synergies
 - £7m in the current year

GAME Group Property Portfolio

		Owned	Franchise	Total
UK & Ireland	2007/08	649 ^a	0	649
	2006/07	407	0	407
France	2007/08	170	7	177
	2006/07	130	11	141
Iberia	2007/08	208	10	218
	2006/07	165	18	183
Scandinavia	2007/08	62	0	62
	2006/07	64	0	64
Australia	2007/08	51	4	55
	2006/07	16	6	22
Total	2007/08	1,140	21	1,161
	2006/07	782	35	817

^a Includes 235 Gamestation Stores

All figures are as at 31st January 2008 and 31st January 2007

Lisa Morgan

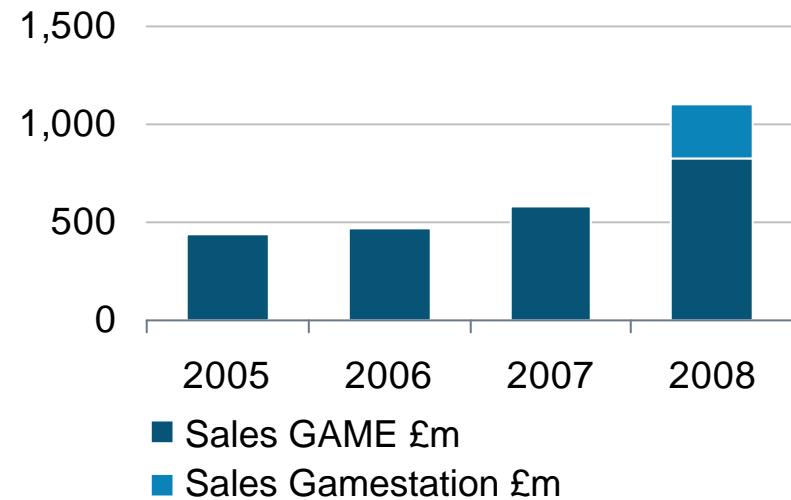
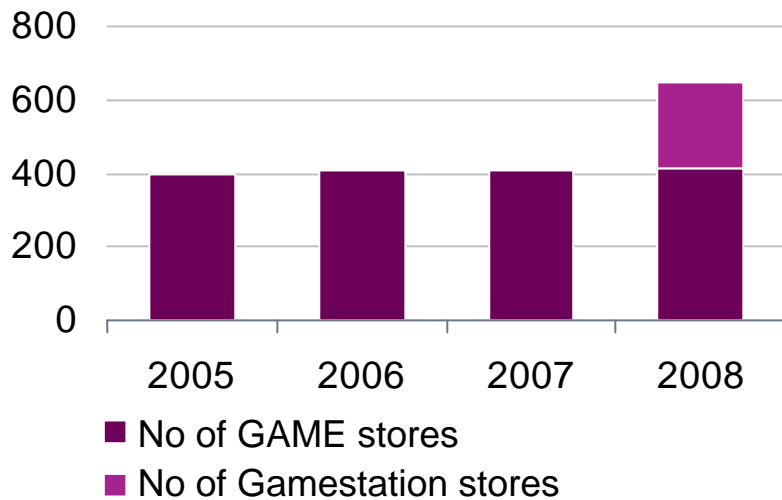
Chief Executive

The Right Strategy

- ▶ Expand and maintain competitive position in the UK
- ▶ Pursue international growth
- ▶ Focus on specialist offer
- ▶ Invest in multi-channel strategy

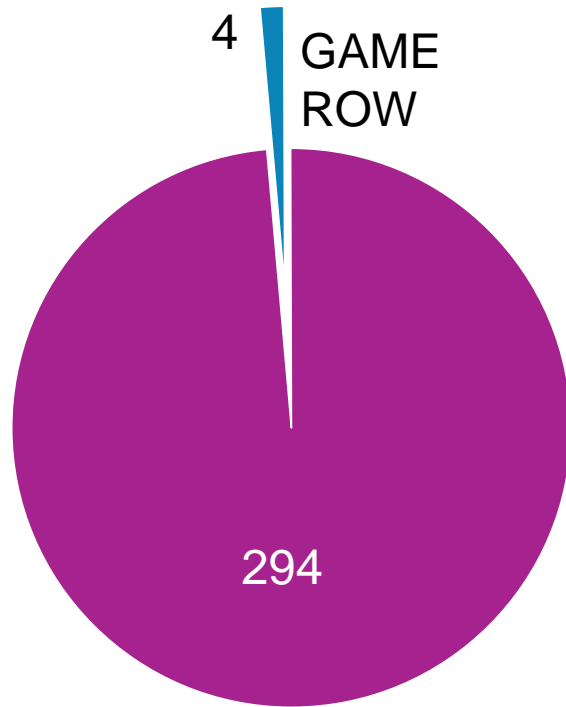
GAME Group UK & Ireland

- ▶ Revenues up 88% to £1,105m
- ▶ Trading from 649 stores
- ▶ Enhanced customer proposition via two brands



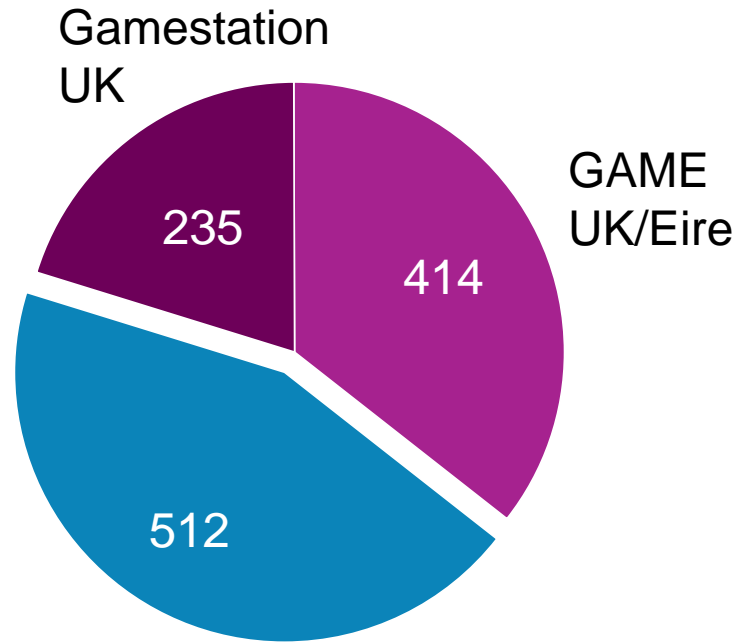
Evolution of International Business

Group Stores Overview



GAME UK/Eire

2000/01

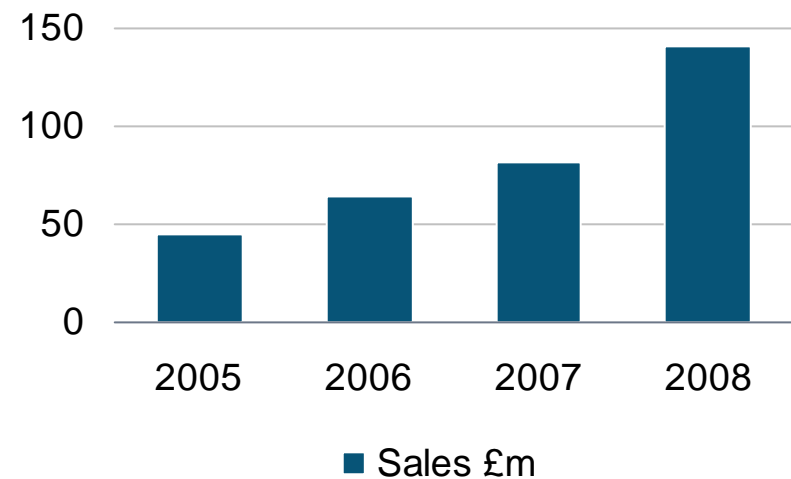


GAME ROW

2007/08

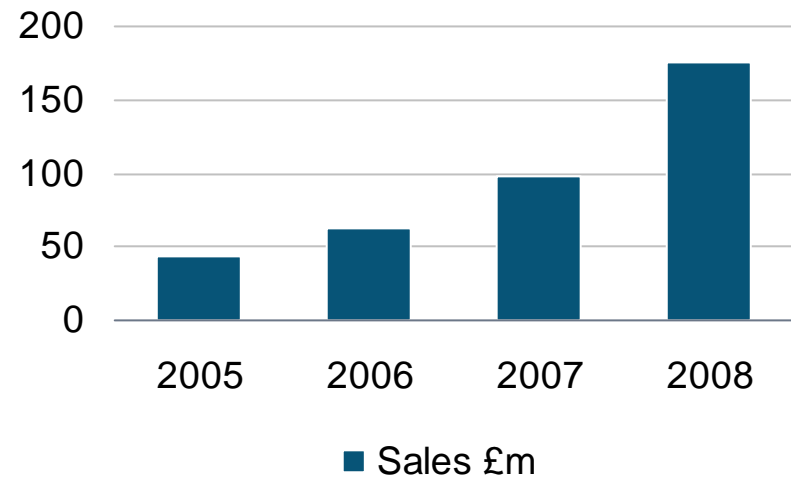
France

- ▶ Revenues up 74% to £141m
- ▶ Trading from 170 stores and 7 franchises
- ▶ Growing profitability with the benefits of scale



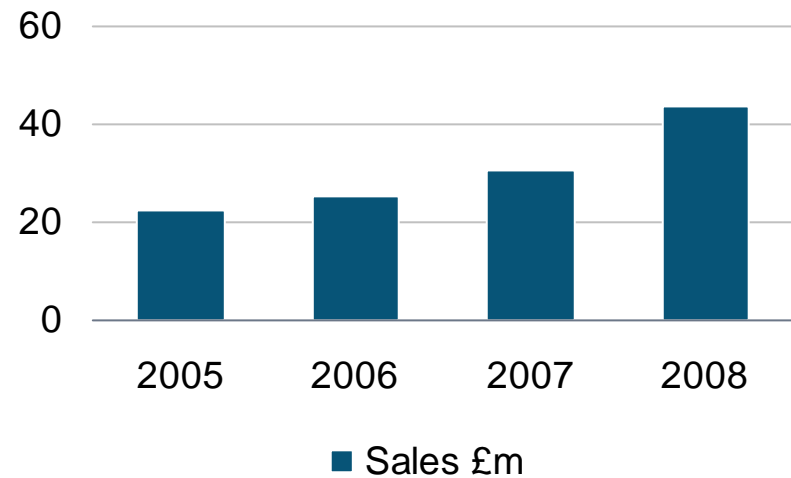
Iberia

- ▶ Revenues up 80% to £176m
- ▶ Trading from 208 stores and 10 franchises
- ▶ Market leader



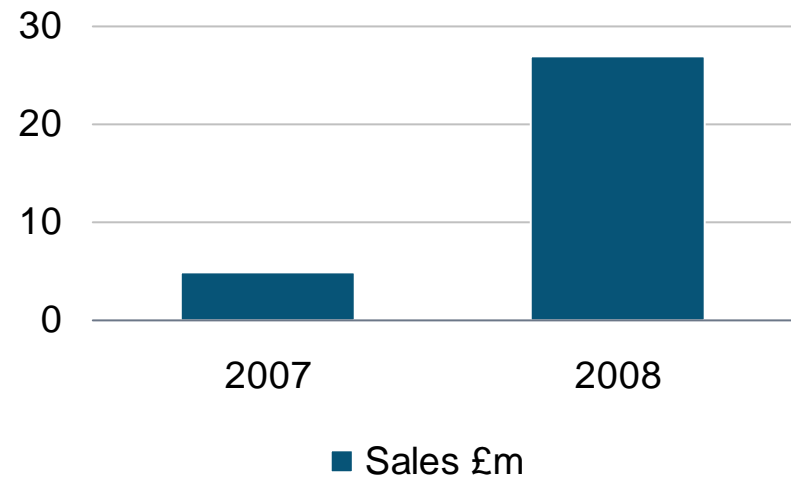
Scandinavia

- ▶ Revenues up 41% to £43m
- ▶ Trading from 62 stores
- ▶ Improved profit performance



Australia

- ▶ Revenues up 427% to £27m
- ▶ Trading from 51 stores and 4 franchises
- ▶ Healthy pipeline of store openings



eCommerce Growth

- ▶ Sales grew by 147%
- ▶ Operating profits increased by 60%
- ▶ Plan to invest more than £5m in 2008/09
- ▶ Trading from three brands – GAME, Gamestation, Gameplay

Our Specialist Difference

- ▶ Compelling store environment
- ▶ Range and offer
- ▶ Knowledgeable and well trained employees
- ▶ Trade-in and Pre-owned programme
- ▶ Reward Card

Software Pipeline

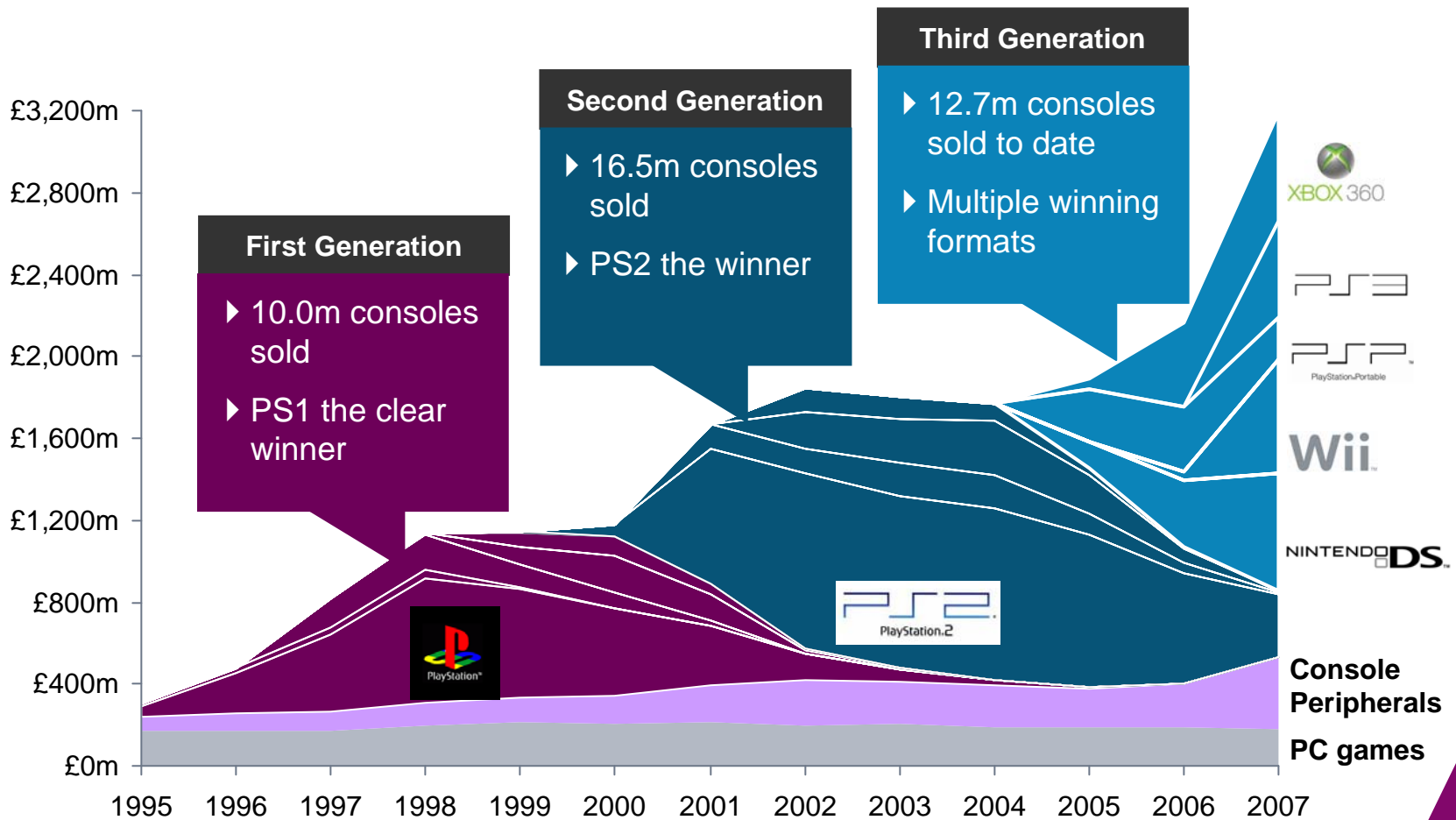


Summary & Outlook

- ▶ Broadening appeal of video games
- ▶ Leading specialist customer offer
- ▶ Strong international platform for growth
- ▶ Current LFL's up 20%
- ▶ Very confident outlook

Q & A

Market Evolution



Source: Chart track, hardware, software and peripherals UK only

Q & A