

PART I – FINANCIAL INFORMATION**Item 1. Condensed Consolidated Financial Statements (Unaudited)****ELECTRONIC ARTS INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS**

(Unaudited)

(In millions, except par value data)

	June 30, 2025	March 31, 2025 ^(a)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,518	\$ 2,136
Short-term investments	112	112
Receivables, net	533	679
Other current assets	382	349
Total current assets	2,545	3,276
Property and equipment, net	592	586
Goodwill	5,389	5,376
Acquisition-related intangibles, net	271	293
Deferred income taxes, net	2,462	2,420
Other assets	440	417
TOTAL ASSETS	\$ 11,699	\$ 12,368
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable, accrued, and other current liabilities	\$ 1,306	\$ 1,359
Deferred net revenue (online-enabled games)	1,334	1,700
Senior notes, current, net	400	400
Total current liabilities	3,040	3,459
Senior notes, net	1,484	1,484
Income tax obligations	647	594
Other liabilities	446	445
Total liabilities	5,617	5,982
Commitments and contingencies (See Note 11)		
Stockholders' equity:		
Common stock, \$0.01 par value. 1,000 shares authorized; 251 and 252 shares issued and outstanding, respectively	3	3
Additional paid-in capital	—	—
Retained earnings	6,241	6,470
Accumulated other comprehensive income (loss)	(162)	(87)
Total stockholders' equity	6,082	6,386
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 11,699	\$ 12,368

See accompanying Notes to Condensed Consolidated Financial Statements (unaudited).

(a) Derived from audited Consolidated Financial Statements.

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	Three Months Ended June 30,	
	2025	2024
Net revenue	\$ 1,671	\$ 1,660
Cost of revenue	279	263
Gross profit	1,392	1,397
Operating expenses:		
Research and development	706	629
Marketing and sales	214	205
General and administrative	184	180
Amortization and impairment of intangibles	17	17
Restructuring	—	2
Total operating expenses	1,121	1,033
Operating income	271	364
Interest and other income (expense), net	2	30
Income before provision for income taxes	273	394
Provision for income taxes	72	114
Net income	\$ 201	\$ 280
Earnings per share:		
Basic	\$ 0.80	\$ 1.05
Diluted	\$ 0.79	\$ 1.04
Number of shares used in computation:		
Basic	251	266
Diluted	254	268

See accompanying Notes to Condensed Consolidated Financial Statements (unaudited).

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(Unaudited)

(In millions)

OPERATING ACTIVITIES

Three Months Ended June 30,	
2025	2024
Net income	\$ 201
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation, amortization, accretion and impairment	79
Stock-based compensation	152
Change in assets and liabilities:	
Receivables, net	145
Other assets	(55)
Accounts payable, accrued, and other liabilities	(98)
Deferred income taxes, net	(40)
Deferred net revenue (online-enabled games)	(367)
Net cash provided by operating activities	17
INVESTING ACTIVITIES	
Capital expenditures	(72)
Proceeds from maturities and sales of short-term investments	42
Purchase of short-term investments	(42)
Acquisitions, net of cash acquired	(17)
Net cash used in investing activities	(89)
FINANCING ACTIVITIES	
Cash dividends paid	(48)
Cash paid to taxing authorities for shares withheld from employees	(145)
Common stock repurchases and excise taxes paid	(375)
Net cash used in financing activities	(568)
Effect of foreign exchange on cash and cash equivalents	22
Increase (decrease) in cash and cash equivalents	(618)
Beginning cash and cash equivalents	2,136
Ending cash and cash equivalents	\$ 1,518
Supplemental cash flow information:	
Cash paid during the period for income taxes, net	\$ 26
Non-cash investing activities:	
Change in accrued capital expenditures	\$ (26)

See accompanying Notes to Condensed Consolidated Financial Statements (unaudited).