Gamestop Corporation (NYSE: GME)

Price Target: $25 | Rating: **Hold** (Speculative Buy)
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Executive Summary

GameStop Corp. (NYSE: GME) combines a structurally challenged legacy business with an unusually strong balance sheet, creating a capital structure story rather than a traditional retail one. The operating franchise, now refocused on U.S. and core international markets and increasingly driven by higher-margin collectibles and trading cards. Screens as a low-growth, mid-single-digit margin specialty retailer that, on a standalone basis, is worth $3–$4 per share on a DCF basis.

However, with approximately $20+ per share in cash and Bitcoin against a share price in the low-$20s, the market is effectively valuing the operating business at little more than this DCF base case, and close to zero in a bear scenario. This disconnect suggests GameStop's equity currently trades near a conservative sum-of-the-parts floor, with modest fundamental upside toward the mid-$20s and additional optionality if collectibles execution and cost discipline track closer to the bull case.

Investment Thesis

- GME appears structurally undervalued on a sum-of-the-parts basis: the core operating business screens at $3–$4 per share on a DCF basis, while cash and Bitcoin represent ~$20+ per share, implying the market assigns limited value to an ongoing, multi-billion-dollar retail and collectibles franchise.
- The business is transitioning from a declining physical software retailer to a leaner specialty platform anchored in high-margin collectibles, trading cards, and pre-owned/refurbished hardware, supported by ongoing store rationalization and SG&A discipline.
- Secular headwinds from digital game distribution are partially offset by structural tailwinds in trading cards and collectibles, where margins are materially higher and GameStop can leverage its existing footprint, trade-in ecosystem, and PSA partnership to deepen share in a niche less exposed to full digital disintermediation.

Valuation

The base-case valuation triangulates a DCF on the core operating business with cash/BTC-adjusted trading multiples. The DCF assumes essentially flat consolidated revenue around $2.7–2.8bn, with mix shifting toward higher-margin collectibles (10% annual growth), modest declines in hardware (–2% p.a.) and faster declines in software (–8% p.a.), SG&A falling 4% annually, and mid–single-digit EBIT margins by Year 5; applying a 12% discount rate and 2.00% terminal growth yields an enterprise value of roughly $1.47bn, or about $3.57 per share for the operating franchise. A complementary comparables analysis applies peer median 0.6x P/S to the cash/BTC-adjusted sales base, indicating that the core business trades at a slight discount to specialty retail peers and broadly corroborating the DCF conclusion that, in the base case, the market is valuing the underlying operations at a few dollars per share.

Investment Thesis

The market is undervaluing GameStop Corporation (NYSE: GME)'s underlying retail and collectibles business. At recent prices, GameStop's equity value is only modestly above its reported cash and cash equivalents of approximately $8.7 billion (as of the most recent quarter) and its Bitcoin holdings of 4,710 BTC (worth approximately half a billion at current prices). This implies that the market is assigning a relatively low residual value to the core operating business, despite a strengthened balance sheet, ongoing cost discipline, and evidence of stabilized sales. The thesis is that "market cap, minus cash and cash equivalents" should, over time, converge toward the valuation levels observed for comparable specialty retail and gaming businesses as GameStop continues to streamline operations, demonstrate profitability and monetize strategic optionality. Under this framework, investors are effectively paying close to treasury value and acquiring the operating business at a discounted valuation.

Business Overview

GameStop Corp. is a specialty retailer of video games, consumer electronics and gaming-related merchandise, headquartered in Grapevine, Texas. It operates thousands of stores (about 3,200 locations as of early 2025) across the United States, Australia, France and New Zealand, supplemented by e-commerce sites such as gamestop.com. The company's model is built around selling new and pre-owned consoles, physical and digital games, accessories, and pop-culture collectibles, with a significant trade-in business that allows customers to exchange used games, devices and graded trading cards for cash or store credit.

GameStop generates revenue through a mix of physical retail and online channels. Management has been aggressively closing underperforming stores and shrinking the international footprint, while emphasizing cost control, higher-margin categories like collectibles and refurbished hardware, and an enhanced loyalty program (GameStop Pro / PowerUp Rewards) that offers customers monthly coupons, trade-in bonuses and small percentage discounts on pre-owned and collectible items.

Currently, the key product categories that GameStop operates in are as follows:

- **Hardware and accessories (~55% of FY 2024 sales)**
  Includes new and pre-owned gaming consoles, controllers, headsets and other gaming peripherals, as well as hardware bundles and some consumer electronics.
- **Software (~26% of FY 2024 sales)**
  Includes new and pre-owned physical game discs, digital full-game downloads, in-game currency and downloadable content across major console platforms and PC.
- **Collectibles (~19% of FY 2024 sales)**
  Includes licensed merchandise, apparel, toys, trading cards (including high-value graded cards), figures and other pop-culture items. This category has grown in mix and generally carries higher gross margins than new physical software.

As for the date of this report, GameStop aggregates operations into four geographic segments, United States, Canada, Australia and Europe. In fiscal 2024, the United States had accounted for about two thirds of the net sales, the balance split across Canada, Australia and Europe. Since then, GameStop had divested its Canadian business and is currently in the process of doing the same to their France franchises.

Industry and competitive positioning

The global video game industry is large and growing, though estimates differ by provider and definition of "games" (video games vs. broader "gaming").

- Grand View Research estimates the global video game market at USD ~299 billion in 2024, rising to USD ~601 billion by 2030, implying a 12.2% CAGR from 2025–2030.
- Mordor Intelligence projects the video game market at USD 289.73 billion in 2025, reaching USD 531.77 billion by 2030, a 12.91% CAGR over 2025–2030.
- Precedence Research puts the global video games market at USD 274.63 billion in 2024, with a forecast of USD 721.77 billion by 2034, implying a 10.15% CAGR from 2025–2034.

Taken together, third-party research frames the current games industry at roughly USD 275–300 billion of annual revenue, with expected mid-single-digit to low-teens CAGR, depending on segment coverage, region and forecast horizon.

A critical structural trend is the shift from physical to digital distribution. Recent industry commentary suggests that:

- In 2023, physical discs had become a small minority of the market, with digital copies comprising around 83% of console game units and about 95% of total game sales including PC.
- In Europe, about 90% of gaming revenue in 2024 came from digital purchases, leaving physical formats at roughly 10% of revenue, down from about 20% in 2020.
- Sony's latest corporate data indicates that physical software made up only about 3% of PlayStation revenue in the most recent year, down from 6% in 2020, underscoring platform-holder bias toward digital ecosystems.

GameStop's own SEC filings explicitly recognize this as a structural headwind, noting that downloading of video game content continues to grow and take an increasing percentage of new video game sales, and that further shifts toward downloading in lieu of physical software could adversely affect its business and financial performance.

This digital transition is the core structural challenge for any retailer whose legacy profit pool depended heavily on packaged, pre-owned and trade-in physical games.

Value Chain

GameStop functions as an omni-channel specialty retailer focused on:

- Hardware and accessories – consoles, controllers, headsets and other peripherals;
- Software – new and pre-owned physical games plus digital codes and in-game currency;
- Collectibles – trading cards, apparel, figures and other pop-culture merchandise.

The company maintains a trade-in ecosystem where customers can exchange used games, devices and graded cards for store credit or cash, and has recently highlighted high-value trading-card trade-ins to reinforce this positioning.

From a reporting standpoint, GameStop breaks out net sales by product category – hardware and accessories, software, and collectibles – and has noted a mix shift toward higher-margin categories such as collectibles and pre-owned hardware/accessories, which have supported gross margin expansion despite overall top-line pressure.

Competitive Landscape

GameStop competes across several fronts:

1. Mass merchants and electronics chains
    - Walmart, Target, Best Buy and similar retailers sell consoles, games and accessories, typically competing on breadth of assortment and price.
2. E-commerce and online marketplaces
    - Amazon and other online platforms are key competitors in both new hardware launches and catalog product, leveraging logistics scale and delivery speed.
3. First-party and PC digital storefronts
    - PlayStation Store, Xbox, Nintendo eShop, Steam and others capture a rising share of full-game, DLC and subscription spending, bypassing physical retailers entirely. This is the primary structural risk called out in GameStop's own filings.
4. Specialty hobby and collectibles channels
    - Local trading-card shops, toy and hobby retailers, and online marketplaces compete for spending on trading cards, figures and limited-run collectibles. The recent launch of GameStop's "Power Packs" trading-card program illustrates the attempt to position more deeply within this ecosystem.

Relative Positioning

Advantages

High brand recognition in console gaming and physical retail.

- Established trade-in and buy-back infrastructure that provides immediate liquidity to customers and supports a differentiated pre-owned offer.
- Growing exposure to collectibles and pre-owned hardware, which management identifies as higher-margin categories.

Structural vulnerabilities

- Direct exposure to the decline of packaged game sales as digital purchases, subscriptions and cloud offerings take share.
- Competition from larger retailers and e-commerce platforms with superior scale in procurement and logistics.
- Execution risk in repositioning the store base and product mix around collectibles, refurbished hardware and premium trade-ins while managing a shrinking physical footprint.

In summary, the industry growth outlook is robust at the aggregate level, with multiple independent research firms forecasting mid-single- to low-teens CAGR through 2030+, but GameStop is anchored in a legacy channel that is structurally losing share to digital distribution. The investment case therefore hinges on whether the company can successfully pivot its mix (collectibles, higher-margin pre-owned, trading cards) and leverage its brand and trade-in infrastructure to remain relevant within a rapidly digitizing ecosystem.

Strategic Opportunities

1. **GameStop currently has an unusually cash-heavy balance sheet for a specialty retailer:**
   - Cash, cash equivalents and marketable securities of $8.7 billion as of Q2 FY2025.
   - Bitcoin holdings of 4,710 BTC valued at $528.6 million at the same quarter-end.

To fund this, the company completed a US$1.5 billion 0.00% convertible senior notes offering due 2030, including the upsize option, with stated use of proceeds including Bitcoin purchases and general corporate purposes.

From a strategic perspective, this balance sheet provides:

- Downside protection and flexibility relative to most brick-and-mortar retailers, which typically run with modest cash balances and higher net debt.
- Optionality for value-accretive actions such as share repurchases when the equity trades close to treasury value, special dividends, selective acquisitions, or further investment in higher-return initiatives (e.g., collectibles ecosystem, technology).
- Embedded leverage to Bitcoin prices, which can amplify equity value if BTC appreciates, but also introduces volatility and risk if prices fall.

2. **Expansion of higher-margin collectibles and trading cards**

GameStop is actively repositioning toward collectibles and trading cards, which are structurally less exposed to digital substitution and generally carry higher gross margins than new physical software:

- In Q4 FY2024, collectibles generated $271 million of net sales (21% of quarterly revenue) and $718 million for the full year, up from 14% of sales in the prior year.
- In Q1 FY2025, collectibles sales rose ~55% year-over-year to $211.5 million, even as total company sales declined 17%.
- In Q2 FY2025, collectibles' revenue increased 63% year-over-year to about $228 million, while hardware and accessories grew 31%; software declined.

Management has reinforced this shift with several initiatives:

- A collaboration with PSA that makes GameStop an authorized dealer for card grading and allows in-store submission of sports and trading cards.
- Launch of trading-card–focused programs (e.g., PSA-graded “Power Packs” and high-value buyback events), including record trade-ins such as a $30k Pokémon card transaction highlighted in recent press.

Strategically, the opportunity is to:

- Continue mix-shifting toward categories where GameStop has brand permission and better margins (collectibles, graded cards, refurbished hardware) while the physical game market shrinks.
- Build a repeat-purchase ecosystem around trading cards (grading, buying/selling singles, curated sealed product, digital “packs”), leveraging existing store traffic and online channels.

If executed well, this can support gross margin expansion and a more resilient earnings base, even in a flat or declining physical software market.

3. Expansion of higher-margin collectibles and trading cards

Beyond Bitcoin itself, GameStop has experimented with digital initiatives (NFT marketplace, Web3 partnerships), and more recently has emphasized:

Exclusive physical/digital product partnerships, such as collector's editions bundled with merchandise, highlighted in recent coverage of Q2 FY2025 results.

A treasury allocation to Bitcoin funded by low-coupon convertible notes, creating a potential "second leg" of value beyond the retail business if BTC appreciates over time.

Some earlier digital initiatives (notably the NFT marketplace) have already been wound down, underscoring execution and regulatory risk. But as long as the company retains a strong net-cash position, selective digital partnerships and product experiments remain a source of upside optionality rather than a core dependency in the investment case.

Historical Financial Performance

GameStop's recent financial history is characterized by gradually declining revenue but a very clear turnaround in profitability as management has cut costs, rationalized the store base, and strengthen the balance sheet.

Fiscal year	Net sales (US$ bn)	YoY growth	Net income (US$ mm)	Approximate net margins
2021	6.01	+18%	(381)	-6.3%
2022	5.93	-1.4%	(313)	-5.3%
2023	5.27	-11.0%	**6.7**	**+0.1%**
2024	3.82	-27.5%	**131.3**	**+3.4%**

Over 2021–2024, net sales declined from roughly \$6.01bn to \$3.82bn, while net income improved from losses of \$380-313m per year to a \$131m profit in fiscal 2024, implying a net margin of about 3–4% despite the sharp drop in revenue.

It is important to note that the historical financial statements include the Canadian and France (Europe) operations, it is empirical that these are excluded on a go-forward analysis as they have been divested or in the process of winding down operations in 2025. See geographical breakdown of 2024 fiscal year end results:

FY 2024 (year)	United States	Canada	Australia	France	Total
Net sales	2,575.70	204.30	404.90	638.10	3,823.00
Cost of sales	1,803.20	152.60	277.60	475.70	2,709.10
Gross profit	772.50	51.70	127.30	162.40	1,113.90
SG&A (total)	737.20	61.70	139.20	192.30	1,130.40
– Store-related SG&A	631.50	51.50	122.40	162.80	968.20
– Other SG&A	105.70	10.20	16.80	29.50	162.20
Asset impairments	1.40	0.00	0.00	8.30	9.70
Operating income (loss)	33.90	-10.00	-11.90	-38.20	-26.20

Valuation

GameStop’s current equity value reflects three very different components:

- The core operating business (physical and digital retail of games, hardware, and collectibles)
- A very large cash and marketable securities balance
- A Bitcoin treasury position that introduces additional volatility into reported earnings

To understand whether the underlying business is mispriced, the analysis:

1. Starts from the headline equity market capitalization
2. Subtracts cash and marketable securities
3. Subtracts the value of Bitcoin holdings
4. Compares the implied value of the operating business to peers on a sales multiple basis
5. Uses earnings and margins adjusted for non-operating items, particularly Bitcoin gains/losses and interest on excess cash

All figures below are approximate and based on the latest available public data as of early December 2025.

Step 1 – Headline equity value

As of December 6, 2025:

- Share price (GME): = $23.00
- Shares outstanding: = 448 million (diluted)

This implies a headline equity market capitalization of roughly $10.3 billion.

Step 2 – Non-operating assets: cash, securities, Bitcoin

From GameStop’s Q2 FY 2025 results (quarter ended August 2, 2025):

- Cash, cash equivalents and marketable securities: $8.7 billion
- Bitcoin holdings: 4,710 BTC valued at = $528.6 million as of quarter-end

Debt is minimal relative to cash: Q2 disclosures note a $270 million convertible bond issuance, but even after this, GameStop remains overwhelmingly net cash.

Item	Amount (USD $Bn)
Headline equity market cap	10.3
Cash & marketable securities (Q2 FY25)	(8.7)
Bitcoin holdings (Q2 FY25, fair value)	(0.43)
Implied value of operating business	≈1.17

On a **per-share** basis (448m shares):

- Cash & securities: **$19.4 per share**
- Bitcoin: **$0.96 per share**
- Implied value of the operating business: **$2.64 per share**

In other words, at current prices roughly 90% of the market capitalization is covered by cash and Bitcoin, leaving only about $1.17 billion for the operating retail/collectibles franchise.

Normalizing Earnings: Removing Bitcoin and Treasury Effects

Fiscal 2024 (year ended February 1, 2025)

- GameStop's FY 2024 financials show:
- Net sales: $3.82 billion
- GAAP net income: $131.3 million (net margin = 3.4%)
- Operating loss: $(26.2) million (operating margin = -0.7%)
- Net interest income: $163.4 million, driven by returns on the enlarged cash and securities portfolio

Crucially:

The Bitcoin position was disclosed and built up in calendar 2025, after the fiscal year-end. Fiscal 2024 net income does not include material Bitcoin mark-to-market effects.

For valuation purposes, if the cash and Bitcoin are treated as non-operating assets (valued separately and subtracted from market cap), then the corresponding interest income and digital asset gains should also be excluded when assessing the profitability of the core business.

A simple way to look at FY 2024:

- Headline net income (includes interest on cash): +$131.3m
- Operating result (retail business, before interest): −$26.2m
- Net margin from core operations: = -0.7% on $3.82bn of sales

This indicates that, on a full-year basis, the retail/collectibles business is roughly breakeven, while the reported profit is entirely explained by returns on excess cash.

Q2 FY 2025 (first period with Bitcoin impact)
In Q2 FY 2025, GameStop reported:

- Net sales: $972.2 million
- Operating income: $66.4 million
- GAAP net income: $168.6 million
- Adjusted net income (ex-impairment, unrealized Bitcoin gain and other items): $138.3 million

This implies:

- GAAP net margin = 17.3%
- Adjusted net margin = 14.2%

External coverage notes that Q2 results included an unrealized gain of roughly $15–30 million on Bitcoin holdings, contributing to reported net income.

For valuation of the underlying operating franchise:

- Bitcoin-related gains are treated as non-operating and excluded
- Interest on the oversized cash balance is also conceptually non-operating if the cash is valued separately

Peer Comparison: Sales Multiples for the Operating Business

Given that operating earnings are still transitioning from loss-making (FY 2024) to modest profitability (Q2 2025), a sales multiple is a more stable basis for comparison than P/E.

Company / metric	P/S (TTM, approx.)
GameStop – headline (incl. cash & BTC)	2.7x
GameStop – implied for operating business	**0.3x**
Best Buy	0.4x
Dick’s Sporting Goods	1.3x
Zumiez	0.6x
Newegg Commerce	1.1x
PC Connection	0.5x
Average	**0.78x**
Median	**0.60x**

Scenario	P/S multiple (Operating Business)	Implied operating value per share (USD$)	Total implied price per share (USD$)
Low	0.40x	$3.45	$23.81
Median	0.60x	$5.18	$25.54
Average	0.78x	$6.73	$27.09
High	1.30x	$11.22	$31.58

This creates a sharp contrast:

- On headline multiples, GameStop looks expensive relative to large-cap retail peers.
- Once cash and Bitcoin are stripped out, the implied P/S of the core retail/collectibles business (~0.3x) is at a steep discount to typical specialty retailers, and even below Zumiez.

The market is effectively valuing GameStop's operating business at well under 1x sales, despite the company having:

- A de-risked balance sheet with billions of net cash
- Evidence of cost discipline and improving profitability (Q2 FY 2025)
- Optionality from collectibles, trade-ins, and higher-margin merchandise categories

Discounted Cash Flow Analysis

A DCF analysis shows that if isolated from GameStop's large treasury position, the core operating business shows a similar value as implied by the comparables.

Starting with fiscal year 2024 as the base and adjusting for the exit of the Canadian and France (Europe) market, forecasting net sales by product bucket

- Collectibles growing (+10% base, +15% bull, +8% bear)
  - Consistent with recent performance and the strategic push into Power Packs, trading cards and high-margin merchandise. It makes collectibles the primary source of stability and upside in the model.
- Hardware flat to slightly down (-2% base, 0% bull, -7% bear)
  - Drifting down in the base case, and declining more sharply in the bear reflects console cycle maturity and competition from big-box and online stores. But still assumes GameStop retains a meaningful share.
- Software shrinking (-8% base, -5% bull, -10% bear)
  - Shrinking in all cases captures the ongoing digital shift away from phyiscal discs, the bear case –10% p.a. acknowledges the risk that erosion accelerates.

Overall, sales assumptions stay conservative at the consolidated level; total net sales in the base case are essentially flat to slightly down over the next 5 years, with mix doing the heavy lifting.

Use implied category margins (hardware low-margin, software mid and collectibles very high) to roll up the costs of revenue. Modelling the SG&A declining in base and bull, growing slightly in bear.

- Model Other Expenses (SG&A) declining in base and bull, growing slightly in bear.
- Derive EBIT → NOPAT → FCF with:
  - 3% of sales as D&A
  - 2% of sales as capex
  - 1% of sales as working-capital tied to revenue

- Ignore interest income and BTC gains in the DCF (treasury is valued separately), discount FCFs at 12%, and use a 2.00% terminal growth rate to fully capture a conservative core operating business with the risks involved with a volatile business like GameStop.

This produces an enterprise value of the operating business only (ex-cash, ex-BTC).

Bull			
Discount Rate/ Terminal Growth	1.75%	2.00%	2.25%
11.00%	$5.02	$5.12	$5.23
12.00%	$4.49	**$4.57**	$4.65
13.00%	$4.06	$4.12	$4.18

Base			
Discount Rate/ Terminal Growth	1.75%	2.00%	2.25%
11.00%	$3.89	$3.96	$4.04
12.00%	$3.51	**$3.57**	$3.62
13.00%	$3.20	$3.24	$3.29

Bear			
Discount Rate/ Terminal Growth	1.75%	2.00%	2.25%
11.00%	-$0.10	-$0.11	-$0.11
12.00%	-$0.10	**-$0.10**	-$0.10
13.00%	-$0.09	-$0.09	-$0.09

Scenario	Core DCF value/share	Cash+ BTC/share	Implied equity value/share (SOTP)
Bull	$4.57	$20.36	$24.93
Base	$3.57	$20.36	$23.93
Bear	-$0.10	$20.36	$20.26

This lines up effectively with the P/S-based SOTP of mid-20s range and with the market is currently implying with GME trading at $23-$24 range, the market implies the value of the operating business is roughly $3 per share, very close to the DCF base case.

Valuation

Rating: Hold / Market Perform (speculative bias to the upside)

The operating GameStop franchise – after removing Canada/France and normalizing for recent restructuring – is worth approximately $3–$4 per share on a DCF basis.

Adding cash and Bitcoin ($20.36 per share on the chosen balance sheet date) yields a sum-of-the-parts value in the low- to mid-20s per share.

Leaving upside primarily in whether:

- Collectibles and trading-card initiatives deliver sustained margin expansion, and
- Management continues to protect and rationally deploy the large cash/BTC position.

The shares trade close to a conservative estimate of sum-of-the-parts value, with the market largely valuing GameStop as a treasury plus an option on the operating business. The DCF of the core franchise supports a value of roughly $3–$4 per share for the business itself, on top of cash and Bitcoin of ~$20 per share. This suggests modest upside in a base case (toward the mid-20s) and more meaningful upside only if the collectibles strategy and cost discipline deliver closer to the bull case, while the bear case illustrates that mis-execution could leave equity holders relying almost entirely on the cash/BTC floor. As a result, the stock appears fairly to slightly be undervalued on fundamentals, suitable for investors comfortable with high volatility and management-execution risk but not compelling enough at current levels to justify a strong fundamental buy rating.

Appendix

Table 1:

Category	FY 2024 net sales	Q1 2025 net sales	Q2 2025 net sales	Implied gross margin
Hardware & accessories	2,099.70	345.3	592.1	11.16%
Software	1,005.40	175.6	152.5	37.19%
Collectibles	717.9	211.5	227.6	70.42%
Total	**3,823.00**	**732.4**	**972.2**	
Total COGS	2709.1	479.6	689.1	
Gross Profit	29.1%	34.5%	29.1%	

Table 2:

Metric ($Mn USD)	Base Year (2024)	Adjusted Base Year (Exclude Canada)
Net Sales	$3,823.00	$2,980.60
Collectibles	$726.37	$566.31
Hardware	$2,102.65	$1,639.33
Software	$993.98	$774.96
Interest Income	$163.40	$163.40
Cost of Revenue	$2,709.10	$2,080.80
Other Expenses	$1,146.00	$892.00
Net Income	$131.30	$171.20
Taxes	-$15.60	-$20.34
EBIT	-$16.50	$28.14

Table 3:

DCF Assumptions:	
D&A	3% of net sales
Capex	2% of net sales
NWC	1% of net sales
Discount Rate	12.00%
Growth Rate for TV	2.00%

Table 4:

FY 2024 (year)	United States	Canada	Australia	France	Total
Net sales	2,575.70	204.3	404.9	638.1	3,823.00
Cost of sales	1,803.20	152.6	277.6	475.7	2,709.10
Gross profit	772.5	51.7	127.3	162.4	1,113.90
SG&A (total)	737.2	61.7	139.2	192.3	1,130.40
– Store-related SG&A	631.5	51.5	122.4	162.8	968.2
– Other SG&A	105.7	10.2	16.8	29.5	162.2
Asset impairments	1.4	0	0	8.3	9.7
Operating income (loss)	33.9	-10	-11.9	-38.2	-26.2

Table 5:

	Base Case					
Growth p.a	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+
	$2,750.50	$2,738.98	$2,737.67	$2,746.91	$2,767.13	$2,798.84
10%	$622.95	$685.24	$753.76	$829.14	$912.05	$1,003.26
-2%	$1,606.54	$1,574.41	$1,542.92	$1,512.07	$1,481.82	$1,452.19
-8%	$521.01	$479.33	$440.98	$405.70	$373.25	$343.39
	$163.40	$163.40	$163.40	$164.40	$165.40	$166.40
	$1,716.54	$1,739.37	$1,769.13	$1,806.27	$1,851.33	$1,904.91
-4%	$856.32	$822.07	$789.18	$757.62	$727.31	$698.22
	$341.04	$340.94	$342.76	$347.42	$353.88	$362.11
	$44.41	$44.39	$44.84	$45.76	$47.12	$48.93
	$177.64	$177.54	$179.36	$183.02	$188.48	$195.71
*Ignore interest income						
NOPAT	$133.23	$133.16	$134.52	$137.27	$141.36	$146.78
FCF	$163.03	$162.96	$164.33	$167.07	$171.17	$176.59

	Bull Case					
Growth p.a	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+
	$2,828.59	$2,899.38	$2,986.17	$3,000.67	$3,027.54	$3,067.39
15%	$651.26	$748.95	$861.29	$947.42	$1,042.16	$1,146.38
0%	$1,639.33	$1,639.33	$1,639.33	$1,606.54	$1,574.41	$1,542.92
-5%	$538.00	$511.10	$485.54	$446.70	$410.96	$378.09
	$163.40	$163.40	$163.40	$164.40	$165.40	$166.40
	$1,767.31	$1,846.14	$1,938.38	$1,982.81	$2,036.23	$2,099.30
-5%	$847.40	$805.03	$764.78	$734.19	$704.82	$676.63
	$377.28	$411.61	$446.41	$448.07	$451.90	$457.86
	-$44.82	-$48.90	-$53.04	$70.92	$71.62	$72.86
	$213.88	$248.21	$283.01	$283.67	$286.50	$291.46
	$160.41	$186.16	$212.26	$212.75	$214.87	$218.59
	$190.21	$215.96	$242.06	$242.56	$244.68	$248.40

	Bear Case					
Growth p.a	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+
	$2,645.88	$2,537.12	$2,444.84	$2,456.78	$2,479.02	$2,512.06
8%	$611.62	$660.55	$713.39	$784.73	$863.20	$949.53
-7%	$1,524.58	$1,417.86	$1,318.61	$1,292.23	$1,266.39	$1,241.06
-10%	$509.68	$458.71	$412.84	$379.82	$349.43	$321.48
	$163.40	$163.40	$163.40	$164.40	$165.40	$166.40
	$1,651.65	$1,613.01	$1,584.05	$1,621.09	$1,665.58	$1,718.09
2%	$909.84	$928.04	$946.60	$908.73	$872.38	$837.49
	$247.79	$159.47	$77.60	$91.36	$106.46	$122.88
	-$29.44	-$18.95	-$9.22	-$18.26	-$14.74	-$10.88
	$84.39	-$3.93	-$85.80	-$73.04	-$58.94	-$43.52
	$63.29	-$2.95	-$64.35	-$54.78	-$44.21	-$32.64
	$93.10	$26.86	-$34.55	-$24.98	-$14.40	-$2.83

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