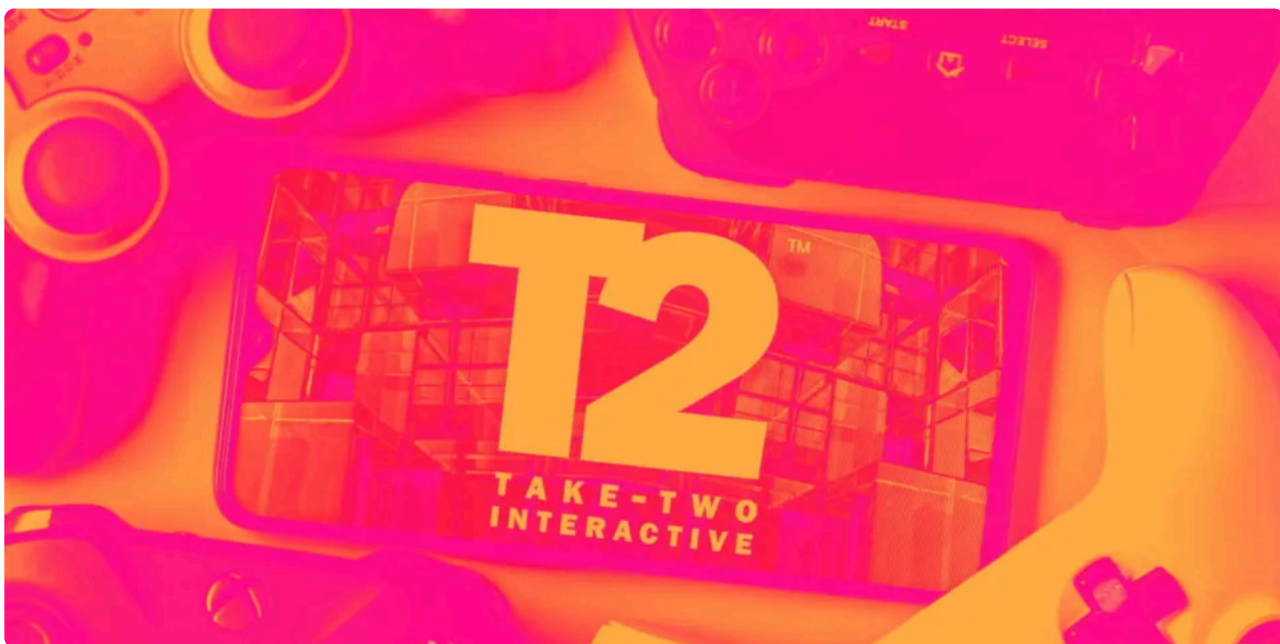


# Video Gaming Stocks Q1 Earnings: Take-Two (NASDAQ:TTWO) Firing on All Cylinders

TTWO -0.46%

RBLX -0.40%

EA -0.20%



Video Gaming Stocks Q1 Earnings: Take-Two (NASDAQ:TTWO) Firing on All Cylinders

Let's dig into the relative performance of Take-Two (NASDAQ:TTWO) and its peers as we unravel the now-completed Q1 video gaming earnings season.

Since videogames were invented in the 1970s, they have gradually taken more share of entertainment time. Ubiquitous mobile devices have powered a surge in “snackable” games that can be played on the go. Over time, games have developed more social engagement features where friends can play games together over the internet. The business models of games publishers have become less volatile due to digitization of distribution, in game monetization, and like Hollywood, an increasing dependence on surefire hit franchises. Covid driven lockdowns accelerated adoption and usage of videogames – a trend that has not slowed.

The 4 video gaming stocks we track reported a weak Q1; on average, revenues missed analyst consensus estimates by 2.3%. while next quarter's revenue guidance was in line with consensus. Stocks--especially those trading at higher multiples--had a strong end of 2023, but 2024 has seen periods of volatility. Mixed signals about inflation have led to uncertainty around rate cuts, and while some of the video gaming stocks have fared somewhat better than others, they collectively declined, with share prices falling 4% on average since the previous earnings results.

### Best Q1: Take-Two (NASDAQ:TTWO)

Best known for its Grand Theft Auto and NBA 2K franchises, Take Two (NASDAQ:TTWO) is one of the world's largest video game publishers.

Take-Two reported revenues of \$1.40 billion, down 3.2% year on year, topping analysts' expectations by 3.4%. It was a mixed quarter for the company, with full-year revenue guidance missing analysts' expectations and slow revenue growth. On the other hand, Take-Two beat analysts' revenue estimates during the quarter. In addition, sales guidance for the next quarter also exceeded consensus.

"We concluded Fiscal 2024 with strong fourth quarter results, including Net Bookings of \$1.35 billion, which exceeded the high-end of our guidance range. Many of our key franchises outperformed, including NBA 2K24; Zynga's in-app purchases, led by Toon Blast and our newest hit, Match Factory!; the Red Dead Redemption series and the Grand Theft Auto series," said Strauss Zelnick, Chairman and CEO of Take-Two.



Take-Two Total Revenue

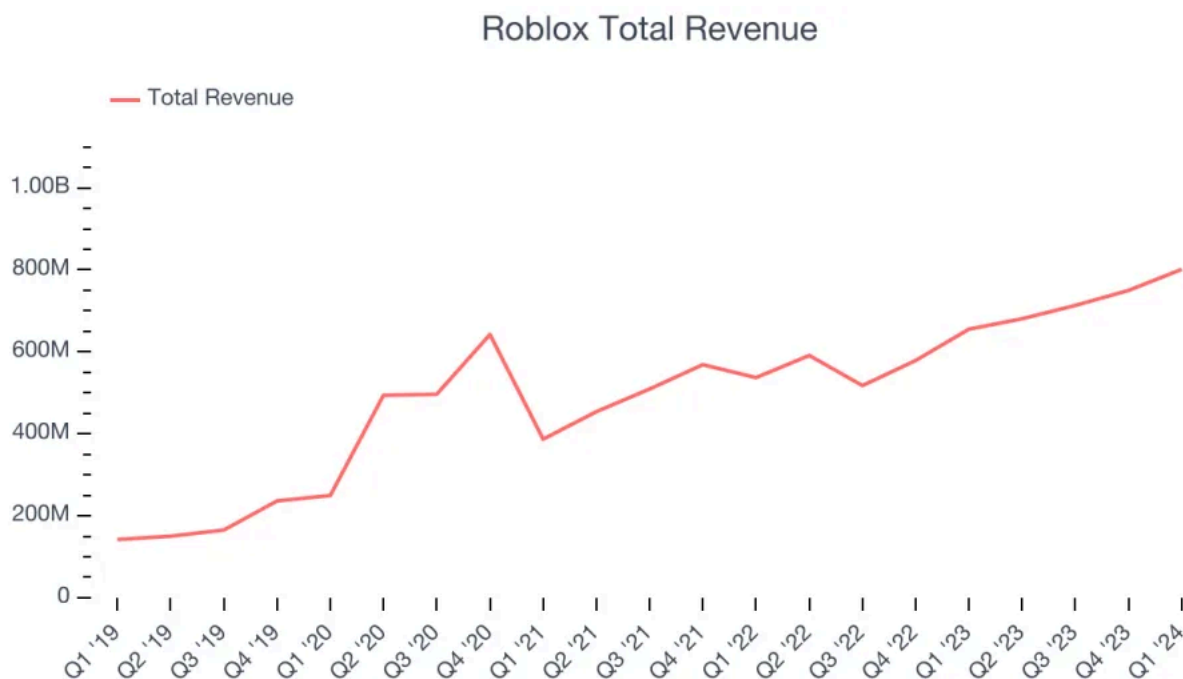
Take-Two scored the biggest analyst estimates beat but had the weakest full-year guidance update of the whole group. The stock is up 5.6% since the results and currently trades at \$153.76.

[Read our full report on Take-Two here, it's free.](#)

## Roblox (NYSE:RBLX)

Best known for its wide assortment of user-generated content, Roblox (NYSE:RBLX) is an online gaming platform and game creation system.

Roblox reported revenues of \$801.3 million, up 22.3% year on year, falling short of analysts' expectations by 0.6%. It was a weak quarter for the company, with full-year bookings guidance missing analysts' expectations and a miss of analysts' revenue estimates.



Roblox Total Revenue

Roblox achieved the fastest revenue growth among its peers. The stock is down 17% since the results and currently trades at \$32.41.

Is now the time to buy Roblox? [Access our full analysis of the earnings results here, it's free.](#)

## Weakest Q1: Skillz (NYSE:SKLZ)

Taking a new twist at video gaming, Skillz (NYSE:SKLZ) offers developers a platform to create and distribute mobile games where players can pay fees to compete for cash prizes.

Skillz reported revenues of \$25.24 million, down 43.1% year on year, falling short of analysts' expectations by 12.6%. It was a weak quarter for the company, with a decline in its users and slow revenue growth.

Skillz had the weakest performance against analyst estimates and slowest revenue growth in the group. The company reported 121,000 monthly active users, down 43.5% year on year. The stock is down 3.3% since the results and currently trades at \$6.2.

[Read our full analysis of Skillz's results here.](#)

## Electronic Arts (NASDAQ:EA)

Best known for its Madden NFL and FIFA sports franchises, Electronic Arts (NASDAQ:EA) is one of the world's largest video game publishers.

Electronic Arts reported revenues of \$1.78 billion, down 5.1% year on year, in line with analysts' expectations. It was a weak quarter for the company, with full-year revenue guidance missing analysts' expectations and slow revenue growth.

Electronic Arts achieved the highest full-year guidance raise among its peers. The stock is up 0.9% since the results and currently trades at \$131.4.

[Read our full, actionable report on Electronic Arts here, it's free.](#)

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