

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) March 27, 2007

GAMESTOP CORP.

(Exact name of registrant as specified in its charter)

Delaware	1-32637	20-2733559
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
625 Westport Parkway, Grapevine, TX		76051
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code (817) 424-2000

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition

The following information is furnished pursuant to Item 2.02, "Results of Operations and Financial Condition," and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section.

On March 27, 2007, GameStop Corp. issued a press release announcing its financial results for the fiscal quarter and the full year ended February 3, 2007. A copy of the press release is attached hereto as Exhibit 99.1.

The information contained in this Current Report, including the exhibit, shall not be incorporated by reference into any filing of GameStop Corp., whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

99.1 Press Release issued by GameStop Corp., dated March 27, 2007.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of

1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GAMESTOP CORP.

(Registrant)

Date: March 27, 2007

/s/ David W. Carlson

Name: David W. Carlson

Title: Executive Vice President
and Chief Financial
Officer

Table of Contents

GAMESTOP CORP.

EXHIBIT INDEX

Exhibit Number

Exhibit 99.1

Description

Press Release of GameStop Corp., dated March 27, 2007

GameStop Sales Top \$5 Billion

2006 Sales and Net Earnings Grow 72% and 57%

Fourth Quarter EPS Exceeds Guidance

Comparable Store Sales Increase 26.5% for Q4 and 11.9% for Year

Issues Robust 2007 Guidance and Reaffirms Long Range EPS Growth Targets

GRAPEVINE, Texas--(BUSINESS WIRE)--March 27, 2007--GameStop Corp. (NYSE:GME), the world's largest video game and entertainment software retailer, today reported sales and earnings for the fourth quarter and the full year ended February 3, 2007. Please note that all per share data has been adjusted for the Class B share conversion and the two-for-one stock split that occurred subsequent to February 3, 2007.

Fourth Quarter Financial Results

Net earnings were \$129.8 million for the 14-week fourth quarter of 2006, including debt retirement costs related to the bond buy-back program of \$2.5 million (\$1.6 million, net of tax benefits), as compared to net earnings of \$85.0 million for the 13-week fourth quarter of 2005, an increase of 52.7%.

Diluted earnings per share were \$0.81, including debt retirement costs of \$0.01 per diluted share, compared to \$0.55 per diluted share in the prior year quarter, considerably beating guidance issued on January 4, 2007. Brisk sales in January of Vivendi's WORLD OF WARCRAFT and new video game software titles drove the greater than anticipated results.

GameStop sales increased 38.2% to \$2,304.0 million in the fourth quarter, in comparison to \$1,666.9 million in the prior year quarter. On a comparable store basis, sales increased 26.5% during the fourth quarter.

Full Year Financial Results

Net earnings were \$158.3 million for the 53-week fiscal year 2006, including merger-related expenses of \$6.8 million (\$4.3 million, net of tax benefits) and debt retirement costs of \$6.1 million (\$3.8 million, net of tax benefits), as compared to earnings of \$100.8 million in fiscal 2005, an increase of 57.0%. Diluted earnings per share were \$1.00 for fiscal 2006, including merger related expenses and debt retirement costs of \$0.05 per diluted share, as compared to \$0.81 per diluted share in fiscal 2005.

GameStop sales were \$5,318.9 million for fiscal 2006, an increase of 72.0% over fiscal 2005 sales of \$3,091.8 million. On a comparable store basis, sales increased 11.9% during fiscal 2006.

"2006 was a remarkable year for GameStop. Total sales increased 72%, operating earnings grew by 73%, net earnings were up 57%, and comparable store sales increased 12%; by any retail measurement, a remarkable year," indicated R. Richard Fontaine, GameStop's Chairman and Chief Executive Officer. "In addition, we finished the year with a strong balance sheet and a year end cash balance of over \$650 million.

"During the year we successfully and fully integrated over 2,000 EB Games stores into the GameStop portfolio and opened 421 new stores worldwide; 276 in the United States and 145 in the international divisions. In fact, our internal rate of return for new stores was the highest ever and, in aggregate, significantly exceeded plan.

"While we are in the very early stages of another strong growth cycle, it is not a mirror of the past. In fact, our 2007 guidance is based on our belief that this cycle will be deeper, wider, and longer than any previous period of new console introductions. From the technology powerhouses of Xbox 360 and PS3, to the uniquely engaging

ease of play and inventiveness of the Wii, to the portability of the DS Lite, to the value of the PS2, there is a product and a price range to stimulate the core and casual gamer, and attract new customers to the video game experience," continued Fontaine.

"No previous cycle has had the diversity of console attributes currently in our stores; no previous cycle has merged other technologies like HDTV, Wi-Fi, and MP3 attributes to make the gaming experience truly the best ever.

"The video game business has become more complex with more console choices, more sophisticated software, and a huge variety of enhancement accessories. The business is increasingly favoring the game passion and deep expertise of our 22,000 managers and game advisors whose product knowledge differentiates GameStop from the competition and will give us an even greater edge in the marketplace of the future."

Business Outlook

For fiscal 2007 (the 52-week year ending February 2, 2008), sales are projected to grow between 19.0% and 21.0%, with comparable store sales ranging from +14.0% to +16.0%, backed by a strong release slate of video game titles across all platforms. Diluted earnings per share for the full year are expected to range from \$1.37 to \$1.40. GameStop expects to open between 500-550 stores worldwide in 2007.

For the first quarter of fiscal 2007, the company expects comparable store sales to range from +12.0% to +14.0%, driven by the expected launches of Sony's PlayStation 3 in Europe and Australia, Sony's GOD OF WAR II for the PlayStation 2 in the U.S., the worldwide launch of Nintendo's POKEMON DIAMOND and PEARL for the Nintendo DS, as well as continued strong demand for Microsoft Xbox 360 titles. Diluted earnings per share are expected to range from \$0.15 to \$0.16. This compares to earnings per share of \$0.07 in the first quarter of 2006.

Based on expected strong video game industry fundamentals, the company's expanding worldwide retail portfolio, and sound cash generation, GameStop currently expects earnings per share to grow at least 25% annually in fiscals 2008 and 2009.

Note that guidance does not include debt retirement costs.

Fourth quarter and full year 2005 pro forma statements of operations have been provided in Schedules III and IV as if the acquisition of Electronics Boutique Holding Corp. took place at the beginning of fiscal 2005. In addition, the pro forma statements of operations include stock-based compensation expense as if SFAS No. 123(R) was implemented at the beginning of fiscal 2005.

Conference Call and Webcast Information

A conference call with GameStop Corp.'s management is scheduled for March 27, 2007 at 11:00 AM ET to discuss the fourth quarter and full year 2006 sales and earnings results. The conference call will be simulcast on the Internet at (<http://www.gamestop.com/investor-relations/>). The conference call will be archived on the website until April 10, 2007.

About GameStop Corp.

Headquartered in Grapevine, TX, GameStop Corp. is the world's largest video game and entertainment software retailer. The company operates 4,778 retail stores across the United States and in fourteen countries worldwide. The company also owns two e-commerce sites, GameStop.com and EBgames.com, and Game Informer(R) magazine, a leading video and computer game publication. GameStop Corp. sells the most popular new software, hardware and game accessories for the PC and next generation video game systems from Sony, Nintendo, and Microsoft. In addition, the company sells PC entertainment software, related accessories and other merchandise.

General information on GameStop Corp. can be obtained at the company's corporate website: <http://www.gamestop.com/corporate>.

Safe Harbor

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, the outlook for fiscal 2007 and beyond, future financial and operating results, projected store openings, the company's plans, objectives, expectations and intentions and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of GameStop's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: the inability to obtain sufficient quantities of product to meet consumer demand, including Sony's PlayStation 3 and Nintendo's Wii; the timing of release of video game titles for next generation consoles; the risks associated with expanded international operations, and economic and other events that could reduce or impact consumer demand. Additional factors that could cause GameStop's results to differ materially from those described in the forward-looking statements can be found in GameStop's Annual Report on Form 10-K for the fiscal year ended January 28, 2006 filed with the SEC and available at the SEC's Internet site at <http://www.sec.gov>.

GameStop Corp.
Balance Sheets
(in thousands, except per share data)

		February 3, 2007		January 28, 2006
		-----		-----
ASSETS:				
Current assets:				
Cash and cash equivalents	\$	652,403	\$	401,593
Receivables, net		34,268		38,738
Merchandise inventories		675,385		603,178
Prepaid expenses and other current assets		37,882		16,339
Prepaid taxes		5,545		21,068
Deferred taxes		34,858		41,051
		-----		-----
Total current assets		1,440,341		1,121,967
		-----		-----
Property and equipment:				
Land		10,712		10,257
Buildings & leasehold improvements		305,806		262,908
Fixtures and equipment		425,841		343,897
		-----		-----
		742,359		617,062
Less accumulated depreciation and amortization		285,896		184,937
		-----		-----
Net property and equipment		456,463		432,125
		-----		-----
Goodwill, net		1,403,907		1,392,352
Assets held for sale		--		19,297
Other noncurrent assets		48,873		50,080
		-----		-----
Total assets		\$ 3,349,584		\$ 3,015,821
		=====		=====

LIABILITIES AND STOCKHOLDERS' EQUITY:

Current liabilities:				
Accounts payable	\$	717,868	\$	543,288
Accrued liabilities		357,013		331,859
Note payable, current portion		12,176		12,527

Total current liabilities	1,087,057	887,674
Deferred taxes	--	13,640
Other long-term liabilities	42,926	36,331
Notes payable, long-term portion	412	21,675
Senior floating and fixed rate notes payable, net of discount	843,311	941,788
Total liabilities	1,973,706	1,901,108
Stockholders' equity:		
Preferred stock - authorized 5,000 shares; no shares issued or outstanding	--	--
Class A common stock - \$.001 par value; authorized 300,000 shares; 152,305 and 145,594 shares issued and outstanding, respectively	152	146
Additional paid-in-capital	1,021,903	921,335
Accumulated other comprehensive income	3,227	886
Retained earnings	350,596	192,346
Total stockholders' equity	1,375,878	1,114,713
Total liabilities and stockholders' equity	\$ 3,349,584	\$ 3,015,821

GameStop Corp.
Statements of Operations
(in thousands, except per share data)

	14 weeks ended Feb. 3, 2007	13 weeks ended Jan. 28, 2006
Sales	\$2,303,966	\$1,666,914
Cost of sales	1,749,478	1,225,796
Gross profit	554,488	441,118
Selling, general and administrative expenses	294,025	259,974
Depreciation and amortization	30,321	26,283
Stock-based compensation	5,272	--
Merger-related expenses	--	2,271
Operating earnings	224,870	152,590
Interest expense, net	14,138	18,635
Debt extinguishment expense	2,497	--
Earnings before income tax expense	208,235	133,955
Income tax expense	78,432	48,940
Net earnings	\$ 129,803	\$ 85,015
Earnings per common share:		
Basic	\$ 0.85	\$ 0.59

Diluted	\$	0.81	\$	0.55
Weighted average common shares outstanding:				
Basic		151,832		144,812
Diluted		159,832		154,774

Percentage of Sales:

Sales		100.0%		100.0%
Cost of sales		75.9%		73.5%

Gross profit		24.1%		26.5%
SG&A expenses		12.8%		15.6%
Depreciation and amortization		1.3%		1.6%
Stock-based compensation		0.2%		--
Merger-related expenses		0.0%		0.2%

Operating earnings		9.8%		9.1%
Interest expense, net		0.7%		1.1%
Debt extinguishment expense		0.1%		--

Earnings before income tax expense		9.0%		8.0%
Income tax expense		3.4%		2.9%

Net earnings		5.6%		5.1%
=====				

GameStop Corp.
Statements of Operations
(in thousands, except per share data)

	53 weeks ended Feb. 3, 2007	52 weeks ended Jan. 28, 2006
	-----	-----
Sales	\$5,318,900	\$3,091,783
Cost of sales	3,847,458	2,219,753

Gross profit	1,471,442	872,030
Selling, general and administrative expenses	1,000,135	598,996
Depreciation and amortization	109,862	66,355
Stock-based compensation	20,978	347
Merger-related expenses	6,788	13,600

Operating earnings	333,679	192,732
Interest expense, net	73,324	25,292
Merger-related financing costs	--	7,518
Debt extinguishment expense	6,059	--

Earnings before income tax expense	254,296	159,922
Income tax expense	96,046	59,138

Net earnings	\$ 158,250	\$ 100,784
	=====	=====
Earnings per common share:		
Basic	\$ 1.06	\$ 0.87
Diluted	\$ 1.00	\$ 0.81
Weighted average common shares outstanding:		
Basic	149,924	115,840
Diluted	158,284	124,972

Percentage of Sales:

Sales	100.0%	100.0%
Cost of sales	72.3%	71.8%

Gross profit	27.7%	28.2%
SG&A expenses	18.8%	19.4%
Depreciation and amortization	2.1%	2.2%
Stock-based compensation	0.4%	--
Merger-related expenses	0.1%	0.4%

Operating earnings	6.3%	6.2%
Interest expense, net	1.4%	0.8%
Merger-related financing costs	--	0.2%
Debt extinguishment expense	0.1%	--

Earnings before income tax expense	4.8%	5.2%
Income tax expense	1.8%	1.9%

Net earnings	3.0%	3.3%
	=====	=====

Schedule I
GameStop Corp.
Sales Mix

	14 Weeks Ended Feb. 3, 2007		13 Weeks Ended Jan. 28, 2006	
	Sales	Percent of Total	Sales	Percent of Total

Sales (in millions):				
New video game hardware	\$ 604.9	26.3%	\$ 329.1	19.8%
New video game software	873.7	37.9%	705.5	42.3%
Used video game products	436.5	18.9%	348.6	20.9%
Other	388.9	16.9%	283.7	17.0%

Total	\$2,304.0	100.0%	\$1,666.9	100.0%
	=====	=====	=====	=====

	53 Weeks Ended Feb. 3, 2007	52 Weeks Ended Jan. 28, 2006
	-----	-----

	Sales	Percent of Total	Sales	Percent of Total
	-----	-----	-----	-----
Sales (in millions):				
New video game hardware	\$1,073.7	20.2%	\$ 503.2	16.3%
New video game software	2,012.5	37.8%	1,244.9	40.3%
Used video game products	1,316.0	24.8%	808.0	26.1%
Other	916.7	17.2%	535.7	17.3%
	-----	-----	-----	-----
Total	\$5,318.9	100.0%	\$3,091.8	100.0%
	=====	=====	=====	=====

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Schedule II
GameStop Corp.
Gross Profit Mix

	14 Weeks Ended Feb. 3, 2007		13 Weeks Ended Jan. 28, 2006	
	-----	-----	-----	-----
	Gross Profit	Gross Profit Percent	Gross Profit	Gross Profit Percent
	-----	-----	-----	-----
Gross Profit (in millions):				
New video game hardware	\$ 33.5	5.5%	\$ 21.0	6.4%
New video game software	178.7	20.5%	150.2	21.3%
Used video game products	213.0	48.8%	171.6	49.2%
Other	129.3	33.2%	98.3	34.6%
	-----	-----	-----	-----
Total	\$ 554.5	24.1%	\$ 441.1	26.5%
	=====	=====	=====	=====

	53 Weeks Ended Feb. 3, 2007		52 Weeks Ended Jan. 28, 2006	
	-----	-----	-----	-----
	Gross Profit	Gross Profit Percent	Gross Profit	Gross Profit Percent
	-----	-----	-----	-----
Gross Profit (in millions):				
New video game hardware	\$ 77.0	7.2%	\$ 30.9	6.1%
New video game software	427.3	21.2%	266.5	21.4%
Used video game products	651.9	49.5%	383.0	47.4%
Other	315.2	34.4%	191.6	35.8%
	-----	-----	-----	-----
Total	\$1,471.4	27.7%	\$ 872.0	28.2%
	=====	=====	=====	=====

Schedule III
GAMESTOP CORP.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(in thousands, except per share data)

Historical Historical
GameStop Electronics

For the thirteen weeks ended January 28, 2006	Corp. January 28, 2006 (a)	Boutique October 8, 2005 (a)	Pro Forma Adjustments	GameStop Corp. Pro Forma
Sales	\$1,666,914	\$ -	\$ -	\$1,666,914
Cost of sales	1,225,796	-	-	1,225,796
Gross profit	441,118	-	-	441,118
Selling, general and administrative expenses	259,974	-	-	259,974
Depreciation and amortization	26,283	-	-	26,283
Merger-related expenses	2,271	-	(2,271) (b)	-
Stock-based compensation	-	-	2,422 (d)	2,422
Operating earnings (loss)	152,590	-	(151)	152,439
Interest expense, net	18,635	-	-	18,635
Merger-related interest expense	-	-	-	-
Earnings (loss) before income tax expense (benefit)	133,955	-	(151)	133,804
Income tax expense (benefit)	48,940	-	(56) (g)	48,884
Net earnings (loss)	\$ 85,015	\$ -	\$ (95)	\$ 84,920
Net earnings per common share--basic	\$ 0.59	\$ -		\$ 0.59
Weighted average shares of common stock--basic	144,812	-	-	144,812
Net earnings per common share-- diluted	\$ 0.55	\$ -		\$ 0.55
Weighted average shares of common stock--diluted	154,774	-	-	154,774

Schedule IV
GAMESTOP CORP.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(in thousands, except per share data)

For the fifty- two weeks ended January 28, 2006	Historical GameStop Corp. January 28, 2006 (a)	Historical Electronics Boutique October 8, 2005 (a)	Pro Forma Adjustments	GameStop Corp. Pro Forma
Sales	\$3,091,783	\$1,302,107	\$ -	\$4,393,890
Cost of sales	2,219,753	935,175	-	3,154,928
Gross profit	872,030	366,932	-	1,238,962
Selling, general and administrative expenses	599,343	331,424	-	930,767
Depreciation and amortization	66,355	30,573	(2,640) (c)	94,288
Merger-related expenses	13,600	2,900	(16,500) (b)	-
Stock-based compensation	-	-	10,581 (d)	10,581
Operating earnings	192,732	2,035	8,559	203,326
Interest expense, net	25,292	(1,927)	54,974 (e), (f)	78,339
Merger-related interest expense	7,518	-	(7,518)	-
Earnings (loss) before income tax expense (benefit)	159,922	3,962	(38,897)	124,987
Income tax expense (benefit)	59,138	1,415	(14,933) (g)	45,620
Net earnings (loss)	\$ 100,784	\$ 2,547	\$ (23,964)	\$ 79,367
Net earnings per common share-- basic	\$ 0.87	\$ 0.05		\$ 0.55
Weighted average shares of common stock-- basic	115,840	50,130	(22,120) (h)	143,850
Net earnings per common share-- diluted	\$ 0.81	\$ 0.05		\$ 0.52
Weighted average shares of common stock--				

diluted	124,972	50,792	(22,782) (h)	152,982
	=====	=====	=====	=====

GAMESTOP CORP.

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED

STATEMENT OF OPERATIONS

(In thousands, except per share data)

(a) Certain reclassifications have been made to the historical presentation of GameStop and EB to conform to the presentation used in the unaudited pro forma condensed consolidated statement of operations.

(b) To give effect to the exclusion of certain expenses which are directly attributable to the merger and are believed to be of a one-time or short-term nature.

(c) To give effect to the intangible asset amortization and depreciation on the property and equipment adjustment based on the preliminary allocation of the purchase price over estimated useful lives.

(d) To give effect to the stock-based compensation expense as if SFAS 123(R) had been adopted as of January 30, 2005.

(e) To give effect to the interest expense incurred related to the receipt of \$941,472 resulting from issuance of \$650,000 in senior notes, at an interest rate of 8.0% and \$300,000 in senior floating rate notes at an interest rate of LIBOR plus 3.875%. The senior notes were issued at a discount of \$8,528 and interest expense includes the amortization of this discount over seven years.

(f) To give effect to the amortization of deferred financing fees relating to the \$400 million revolving credit facility, the senior floating rate notes and the senior notes over five, six and seven years to match the terms, respectively.

(g) Represents the aggregate pro forma effective income tax effect of Notes (b), (c), (d), (e) and (f) above.

(h) The pro forma earnings per share have been adjusted to reflect the issuance of 40,458 shares of GameStop Class A common stock to EB common stockholders as if they were issued on January 30, 2005 and to reflect the elimination of the outstanding shares of Electronics Boutique.

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