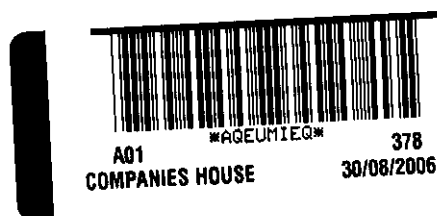


ROCKSTAR NORTH LIMITED

Directors' Report and Financial Statements

for the year ended 31 October 2005

Registration Number 3312220



ROCKSTAR NORTH LIMITED

Company Information

Directors	B Rutcofsky R Bryant T J Donovan	Resigned 7 February 2005 Appointed 26 September 2005
Secretary	B Rutcofsky	
Company Number	3312220	
Registered Office	Saxon House 2-4 Victoria Street Windsor Berkshire SL4 1EN	
Auditors	Johnston & Co New Custom House Register Street Bo'ness EH51 9AE	
Business Address	Calton Square 1 Greenside Row Edinburgh EH1 3AP	
Bankers	The Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2YB	

ROCKSTAR NORTH LIMITED

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ROCKSTAR NORTH LIMITED

Directors' Report for the year ended 31 October 2005

The directors present their report and the financial statements for the year ended 31 October 2005.

Principal Activity and Review of the Business

The principal activity of the company during the year was the conception and development of entertainment software.

Results and Dividends

The results for the year are set out on page 4.

The directors do not recommend payment of a dividend.

Research and Development

The company is committed to product development with the aim of increasing the group's market share.

Directors and their Interests

The directors who served during the year and their interests in the company are as stated below:

		Ordinary shares	
		2005	2004
B Rutcofsky		-	-
R Bryant	Resigned 7 February 2005	-	-
T J Donovan	Appointed 26 September 2005	-	-

The interests of the directors in the shares of the parent company are shown in the accounts of that company. The company's Articles of Association do not require directors to retire by rotation.

Directors' Responsibilities

UK company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

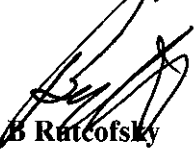
ROCKSTAR NORTH LIMITED

**Directors' Report
for the year ended 31 October 2005**

Auditors

The auditors, Johnston & Co have indicated their willingness to accept re-appointment under Section 385 of the Companies Act 1985.

On behalf of the Board



**B Ratcofsky
Director**

Date: 24 August 2006

Independent Auditors' Report to the Shareholders of ROCKSTAR NORTH LIMITED

We have audited the financial statements of ROCKSTAR NORTH LIMITED for the year ended 31 October 2005 which comprise of the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 October 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Johnston & Co
Chartered Accountants and
Registered Auditors
New Custom House
Register Street, Bo'ness

Date: 29 August 2006

ROCKSTAR NORTH LIMITED

Profit and Loss Account for the year ended 31 October 2005

		2005	2004
	Notes	£	£
Turnover	2	8,610,791	9,774,593
Cost of sales		(5,378,343)	(7,230,965)
Gross profit		3,232,448	2,543,628
Administrative expenses		(2,669,126)	(1,912,022)
Operating profit	3	563,322	631,606
Interest receivable and similar income		33,561	15,969
Profit on ordinary activities before taxation		596,883	647,575
Tax on profit on ordinary activities	6	(271,049)	(216,371)
Retained profit for the year		325,834	431,204
Accumulated (loss) brought forward		(1,006,829)	(1,438,033)
Accumulated (loss) carried forward		(680,995)	(1,006,829)

There were no acquisitions and no discontinued operations in the period.

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The annexed notes form an integral part of these financial statements.

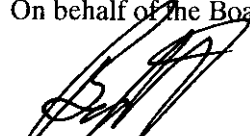
ROCKSTAR NORTH LIMITED

Balance Sheet as at 31 October 2005

		2005		2004	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	7		1,504,402		1,254,489
Current Assets					
Debtors	8	268,106		121,231	
Deferred tax	9	65,877		71,970	
Cash at bank and in hand		1,451,758		25,539	
		<u>1,785,741</u>		<u>218,740</u>	
Creditors: amounts falling due within one year	10	<u>(3,971,137)</u>		<u>(2,480,057)</u>	
Net Current Liabilities			<u>(2,185,396)</u>		<u>(2,261,317)</u>
Total Assets Less Current Liabilities			<u>(680,994)</u>		<u>(1,006,828)</u>
Capital and Reserves					
Called up share capital	11		1		1
Profit and loss account			<u>(680,995)</u>		<u>(1,006,829)</u>
Shareholders' Funds	12		<u>(680,994)</u>		<u>(1,006,828)</u>

The financial statements were approved by the Board on 24 August 2006

On behalf of the Board



B Rutcofsky
Director

Date: 24 August 2006

The annexed notes form an integral part of these financial statements.

ROCKSTAR NORTH LIMITED

Notes to the Financial Statements for the year ended 31 October 2005

1. Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year and also have been consistently applied within the same accounts.

1.1. Basis of preparation of financial statements

The financial statements are prepared under the historical cost and in accordance with applicable UK accounting standards. There were no material departures from those standards.

The company has consistently applied all relevant accounting standards.

1.2. Research and development

Expenditure on research and development is written off against profits in the year in which it is incurred.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold property	
improvement	- Straight Line over the life of the lease
Computer equipment	- 33 1/3% Straight line basis
Fixtures, fittings	
and equipment	- 20% Straight line basis

1.4. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5. Cash flow statement

The results of the company and its parent undertaking are included in the published financial statements of its ultimate parent company. The company has therefore taken advantage of the exemption available in FRS 1 from publishing a cash flow statement.

1.6. Pensions

The company operates a defined contribution scheme for the benefit of its employees. The costs of contributions are written off against profits in the year they are payable.

1.7. Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.8. Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the date of the transactions. All differences are taken to the Profit and Loss account.

ROCKSTAR NORTH LIMITED

Notes to the Financial Statements for the year ended 31 October 2005

..... continued

1.9. Going Concern

The company's ultimate parent undertaking, Take Two Interactive Software, Inc., has confirmed that it will continue to provide such financial support as the company may need from time to time, for the foreseeable future to enable it to continue to trade and meet its liabilities as they fall due.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK and excludes value added tax.

Turnover attributable to geographical markets outside the United Kingdom amounted to 100% for the year.

3. Operating profit

	2005 £	2004 £
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	462,754	372,253
Operating lease rentals		
- plant & machinery	34,850	60,466
- other	701,426	309,374
Auditors' remuneration	3,125	3,000

4. Employees

Number of employees

The average monthly numbers of employees
(including the directors) during the year were:

	2005 Number	2004 Number
Development	105	81
Administration	5	5
	110	86

Employment costs

	£	£
Wages and salaries	4,806,212	5,920,912
Social security costs	544,241	1,043,661
Other pension costs	148,714	107,027
	5,499,167	7,071,600

ROCKSTAR NORTH LIMITED

Notes to the Financial Statements for the year ended 31 October 2005

..... continued

5. Pension costs

The company operates a defined contribution pension scheme in respect of certain of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £148,714 (2004 - £107,027).

6. Taxation

	2005 £	2004 £
UK current year taxation		
Corporation Tax	182,606	183,903
Transfer to deferred taxation	6,093	27,241
	<u>188,699</u>	<u>211,144</u>
Prior years		
UK Corporation Tax	82,350	5,227
	<u>271,049</u>	<u>216,371</u>
	£	£
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>596,883</u>	<u>647,575</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK Corporation tax of 30% (2004 : 30%)	<u>179,065</u>	<u>194,273</u>
Effects of :		
Non deductible expenses	9,634	16,871
Accelerated capital allowances/other timing differences	(6,093)	(27,241)
	<u>3,541</u>	<u>(10,370)</u>
Current tax charge for the year	<u>182,606</u>	<u>183,903</u>

ROCKSTAR NORTH LIMITED

Notes to the Financial Statements for the year ended 31 October 2005

..... continued

7. Tangible fixed assets

	Leasehold property improvement	Computer equipment	Fixtures, fittings, equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 November 2004	711,096	1,933,066	290,569	5,775	2,940,506
Additions	199,176	439,885	73,607	-	712,668
At 31 October 2005	<u>910,272</u>	<u>2,372,951</u>	<u>364,176</u>	<u>5,775</u>	<u>3,653,174</u>
Depreciation					
At 1 November 2004	119,929	1,463,834	96,480	5,775	1,686,018
Charge for the year	86,131	320,038	56,585	-	462,754
At 31 October 2005	<u>206,060</u>	<u>1,783,872</u>	<u>153,065</u>	<u>5,775</u>	<u>2,148,772</u>
Net book values					
At 31 October 2005	<u>704,212</u>	<u>589,079</u>	<u>211,111</u>	<u>-</u>	<u>1,504,402</u>
At 31 October 2004	<u>591,167</u>	<u>469,232</u>	<u>194,089</u>	<u>-</u>	<u>1,254,488</u>

8. Debtors

	2005 £	2004 £
Amounts owed by group undertakings	124,037	34,172
Other debtors	<u>144,069</u>	<u>87,059</u>
	<u>268,106</u>	<u>121,231</u>

ROCKSTAR NORTH LIMITED

Notes to the Financial Statements for the year ended 31 October 2005

..... continued

9. Deferred tax

The company has included the deferred tax asset arising from the interaction of depreciation and capital allowances. The directors are of the opinion that suitable profit will arise in the future against which this asset can be recovered.

	Deferred Taxation
	£
Balance at 1st November 2004	(71,970)
Profit and loss account	6,093
Balance at 31st October 2005	<u>(65,877)</u>

Deferred taxation provided in the financial statements is as follows:

	2005	2004
	£	£
Accelerated capital allowances	(65,037)	(71,130)
Short term timing differences	(840)	(840)
	<u>(65,877)</u>	<u>(71,970)</u>

10. Creditors: amounts falling due within one year

	2005	2004
	£	£
Trade creditors	182,895	313,424
Amounts owed to group undertakings	2,016,969	1,112,073
Corporation tax	182,606	106,477
Other taxes and social security costs	1,498,864	199,909
Other creditors	4,233	6,964
Accruals and deferred income	85,570	741,210
	<u>3,971,137</u>	<u>2,480,057</u>

11. Share capital

	2005	2004
	£	£
Authorised equity		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid equity		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

ROCKSTAR NORTH LIMITED

Notes to the Financial Statements for the year ended 31 October 2005

..... continued

12. Reconciliation of movements in shareholders' funds

	2005 £	2004 £
Profit for the year	325,834	431,204
Opening shareholders' funds	(1,006,828)	(1,438,032)
Closing shareholders' funds	<u>(680,994)</u>	<u>(1,006,828)</u>

13. Financial commitments

At 31 October 2005 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2005 £	2004 £	2005 £	2004 £
Expiry date:				
Within one year	-	230,144	2,460	24,084
Between one and five years	542,450	-	-	-
In over five years	609,000	609,000	-	-
	<u>1,151,450</u>	<u>839,144</u>	<u>2,460</u>	<u>24,084</u>

14. Capital commitments

Commitments for capital expenditure at the end of the year were as follows:

	2005 £	2004 £
Authorised	<u>96,955</u>	<u>28,455</u>

15. Related party transactions

No disclosure has been made within these financial statements of any transactions with the ultimate parent company or fellow subsidiaries in accordance with the exemptions allowed by FRS8.

ROCKSTAR NORTH LIMITED

**Notes to the Financial Statements
for the year ended 31 October 2005**

..... continued

16. Ultimate parent undertaking

The ultimate parent company and controlling party of the company is Take Two Interactive Software Inc. Copies of the group financial statements of Take Two Interactive Software Inc. are available from 622 Broadway, New York, NY 10012, United States of America.