

Take-Two Interactive to acquire Zynga

Take-Two Interactive, the video game giant publisher known for titles like *Grand Theft Auto* and *Red Dead Redemption*, is to acquire social game developer Zynga in a deal valued at \$12.7bn (R200bn).



Grand Theft Auto V loading screen

According to [The Verge](#), this acquisition is one of the biggest in video game history — ahead of Microsoft's \$7.5bn purchase of Bethesda, and Tencent's \$8.57bn acquisition of a majority stake in Supercell.

Take-Two, who already owns Rockstar and 2K Games, expects to close the deal in June. Zynga is one of the biggest mobile game developers in the world - and as such, the deal going through is another huge step forward in Take-Two's position as an industry giant.

As part of the deal, Zynga will continue to operate as a standalone company. Although Zynga is best known for the dormant *Farmville* franchise, they have found success with their other mobile games - from *Harry Potter: Puzzles & Spells* to *Words with Friends*.

Going forward, Zynga will be working on creating new mobile games for the iconic franchises within Take-Two publishing. Following the announcement, shares of Zynga surged up by nearly 48%.

According to [CNBC](#), Take-Two CEO Strauss Zelnick said, "We are trying to build a business over a very long period of

time. We've paid attention to creating value for our players, for our colleagues and for our shareholders, and that's worked out over a very long period of time."

Moreover, Zelnick said he expects the deal to create \$100min annual cost synergies within the first two years after closing - as well as potential net bookings of at least \$500m over time.

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