



## NEWS RELEASE

### GTECH S.P.A. ANNOUNCES 2014 SECOND-QUARTER RESULTS

- 2Q and 1H growth in Revenues, EBITDA, and Operating Income, when excluding impact of Canadian replacement cycle
- Stable performance in Italy
  - 1% revenue growth
  - 2% Lotto growth through product innovation
- Cash from Operations up over €100 million year-over-year

### GTECH 2014 Second-Quarter and First-Half Results Comparison

Consolidated Income Statement (€/M)	Q2 2014	Q2 2013	% chg	First-Half 2014	First-Half 2013	% chg
Revenues	751.1	762.0	(1.4)	1,532.4	1,559.5	(1.7)
EBITDA	266.6	273.1	(2.4)	562.7	573.1	(1.8)
Operating Income	156.0	161.5	(3.4)	336.9	353.0	(4.6)
Net Income Attributable to Owners	60.8	67.3	(9.6)	135.8	142.0	(4.4)
Diluted Earnings Per Share	0.35	0.39	(10.3)	0.78	0.82	(4.9)

USD/EUR FX Rate (Daily Avg.) 1.37 in Q2 2014 vs. 1.31 in Q2 2013; 1.37 in H1 2014 vs. 1.31 in H1 2013

EBITDA is principally comprised of operating income plus depreciation, amortization, and impairment. EBITDA is considered an alternative performance measure that is not a defined measure under International Financial Reporting Standards ("IFRS") and may not take into account the recognition, measurement and presentation requirements associated with IFRS. We believe that EBITDA assists in explaining trends in our operating performance, provides useful information about our ability to incur and service indebtedness and is a commonly used measure of performance by securities analysts and investors in the gaming industry. EBITDA should not be considered as an alternative to operating income as an indicator of our performance or to cash flows as a measure of our liquidity. As we define it, EBITDA may not be comparable to other similarly titled measures used by other companies.

ROME (ITALY) . PROVIDENCE, RHODE ISLAND (US), July 31, 2014 . GTECH S.p.A.'s Board of Directors, chaired by Mr. Lorenzo Pellicoli, today reviewed the second-quarter and six-month consolidated results, and approved the financial statements for the six-month period which ended June 30, 2014.

*Despite a comparison with a very good second quarter last year that benefited from product sales related to the Canadian VLT replacement program and significant jackpot activity, GTECH was able to absorb the loss of those impacts and produce comparable results, said Marco Sala, CEO of GTECH S.p.A. That is a significant accomplishment that demonstrates the resiliency and growth potential of our core business.*

*We delivered good results in the second quarter, said Alberto Fornaro, CFO of GTECH S.p.A. Cash generation was better than anticipated and we continue feeling very positive about the underlying trend in Net Financial Position (NFP): on a like-for-like basis, the guidance initially provided of " 2.47 billion - " 2.53 billion is comfortably within reach.*

**Consolidated Revenues** in the second quarter of 2014 were " 751 million, or " 768 million when measured at constant currency, compared to " 762 million in the second quarter of 2013, notwithstanding the " 29 million product sales unfavorable comparison related to the Canadian replacement cycle. At constant currency, service revenues were " 695 million, or " 15 million higher than the same period last year, showing an approximate 1% increase in Italy. On a comparable foreign exchange basis versus the second quarter of 2013, product sales were " 9 million lower, as additional sales in Lotteries compensated for most of the 2013 Canada-related machine deliveries.

**EBITDA** was " 267 million, compared to " 273 million in the second quarter of 2013. At constant currency, EBITDA was " 270 million.

**Operating Income** was " 156 million compared to " 161 million in the second quarter of 2013.

**Net Income attributable to the owners** was " 61 million, compared to " 67 million last year.

**Diluted Earnings-Per-Share (EPS)** was " 0.35 versus " 0.39 in the second quarter of 2013.

**Capital expenditures** in the quarter were " 53 million.

At June 30, 2014, Consolidated Shareholders' Equity totaled " 2.51 billion. GTECH had a **Net Financial Position** (NFP) of " 2.53 billion, compared to " 2.58 billion as of March 31, 2014, and " 2.51 billion as of December 31, 2013. During the quarter, GTECH paid " 131 million in dividends, or " 0.75 a share.

## **Second-Quarter Results by Segment**

### **Americas**

Revenues in the Americas were " 250 million in the quarter, and " 266 million at constant currency, compared to " 261 million in the second quarter of 2013. Product sales in the quarter were " 50 million, " 13 million lower than the second quarter of 2013 driven largely by the expected decline in Gaming product sales to Canada which was partially offset by higher product sales to other customers. Comparisons to the prior year were also negatively impacted by the record \$590 million Powerball jackpot last year which did not repeat this year as well as the impact of foreign exchange rate fluctuations which were substantially offset by higher revenues from Lottery Management Services agreements in New Jersey and Indiana.

Americas Operating Income was also impacted by lower jackpot activity and machine gaming sales.

During the quarter, GTECH signed a two-year contract extension with the West Virginia Lottery, and, more recently, the Tennessee Lottery signed a new seven-year contract with the Company. In Colombia, GTECH is adding 1,000 new terminals to its network, increasing the retailer base by approximately 10%. Sphinx 3D debuted in North America with 600 machines expected to be rolled out by year end.

In Illinois where Northstar continues discussions with the Lottery, as of June 30, 2014, Northstar estimates its combined Net Shortfall payment obligation to the State to be approximately " 60 million (\$82M). The economic impact of such potential liabilities will be absorbed over the remaining contract term.

### **International**

Revenues from the International segment were " 76 million, versus " 80 million in the prior year, mainly due to a change in contract terms with a customer which lowered revenue yet increased profit, a lower number of billable hours with a European customer, as well as foreign exchange.

Operating Income in the International segment was in line with last year at " 12 million.

SAZKA in the Czech Republic successfully implemented a price increase for its Lotto game from 16CK to 20CK, with encouraging early results. GTECH customers in Slovakia, Czech Republic and Poland have launched, together with the lottery in Hungary, the first multinational V4 instant game, also with encouraging early sales.

GTECH was also recently selected to provide a VLT central system for Greece's OPAP, which will monitor up to 35,000 VLTs in Greece's new gaming program.

### **Italy**

Revenues from the Italy segment were " 425 million, up from " 421 million in the second quarter of 2013. Higher Lotto revenues almost fully offset lower instant-ticket revenues. Growth in sports betting wagers, virtual betting, and a stable payout percentage drove higher revenues which offset lower Machine Gaming and Interactive revenues.

Despite lower late number wagers, total Lotto wagers for the quarter were up approximately 2% to " 1.56 billion, compared to " 1.53 billion in the second quarter of 2013, driven by 10eLotto wagers. Instant-ticket wagers were " 2.31 billion compared to " 2.37 billion last year.

Machine gaming revenues were " 141 million versus " 144 million in the previous year, due to lower productivity.

Revenues from sports betting were " 8 million higher than last year at " 40 million, benefiting from the introduction of virtual betting and the FIFA World Cup.

Operating Income grew to " 143 million versus " 140 million last year.

### **First-Half Consolidated Results**

For the first six months of 2014, **Revenues** were " 1.53 billion, compared to " 1.56 billion in the first six months of 2013. Revenues at constant currency were in line with last year. Americas Lottery same-store revenues were up over 1% to " 258 million. International Lottery same-store revenues were in line with last year at " 52 million.

Lotto wagers in Italy were stable at " 3.1 billion, and benefited from good 10eLotto performance. Instant-ticket wagers were " 4.79 billion, compared to " 4.92 billion last year.

**EBITDA** was " 563 million compared to " 573 million last year. **Operating Income** was " 337 million versus " 353 million in the first half of last year. At constant currency, EBITDA would have been " 570 million, and Operating Income would have been " 338 million.

The effective **income tax rate** was in line with last year at 41%.

**Net income attributable to the owners** was " 136 million, compared to " 142 million in the same period last year.

**Diluted Earnings-Per-Share (EPS)** was " 0.78, compared to " 0.82 in the first six months of last year.

**Cash from Operations** was " 460 million, compared to " 354 million in the first six months of 2013, primarily due to changes in working capital.

**Capital Expenditures** were " 121 million, which includes the previously reported investment in Probability Plc, as well as investments in Americas Lotteries and Italy's Gaming and Lotteries product lines.

#### **Other Information**

GTECH's Board of Directors implemented the Stock Allocation Plan 2014-2018 and the Stock Option Plan 2014-2020, both approved by the Ordinary Shareholders Meeting on May 8, 2014. The Board approved the terms and conditions of the Plans, assigned the Options and Shares, and resolved . in accordance with the authorization granted by the Extraordinary Shareholders Meeting on April 28, 2011 . to increase the stock capital up to a maximum nominal amount of " 2,073,157.00 serving the 2014-2020 Stock Option Plan, with an exercise price of the Options determined at " 18.71. The documentation required by the relevant provisions in connection with the above resolutions may be found on the Company's website at [www.gtech.com](http://www.gtech.com) (section: Governance . Documents and Reports . Ongoing Stock-Based Compensation Plans) and is also available to the public on the %info+ central storage device ([www.1info.it](http://www.1info.it)).

GTECH's Board of Directors also approved the plan of merger by incorporation into GTECH S.p.A. of wholly-owned subsidiary S.W. Holding S.p.A., which owns a 43.75% stock interest in Italian Scratch & Win licensee Lotterie Nazionali S.r.l., following the acquisition from UniCredit of the entire interest it held in S.W. Holding. The merger will allow for the simplification of the ownership chain of Lotterie Nazionali and achieve higher operational efficiency by reducing administrative processes and operating costs. The merger will be subject to approval by the Board of Directors under the simplified procedure provided for by art. 2505 of the Italian Civil Code and by art. 17 of GTECH's Bylaws. GTECH will not increase its share capital nor assign newly-issued shares in exchange for those held in the merged company that will be canceled following the merger. No amendments will be made to GTECH's Bylaws in connection with the merger, nor will the related party-transaction policy apply, and GTECH shareholders will not be entitled to withdraw from the Company.

Related news release: March 25, 2014

#### **Declaration**

*The manager responsible for preparing GTECH's financial reports, Alberto Fomaro, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books, and accounting records.*

*GTECH S.p.A. is a leading commercial operator and provider of technology in the regulated worldwide gaming markets, delivering best-in-class products and services, with a commitment to the highest levels of integrity, responsibility, and shareholder value creation. The Company is listed on the FTSE MIB at the Milan Stock Exchange under the trading symbol %GTK+ and is majority owned by De Agostini S.p.A. In 2013, GTECH had approximately "3.1 billion in revenues and 8,600 employees with operations in approximately 60 countries. For more information, please visit [www.gtech.com](http://www.gtech.com).*

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***Financial Statements for the 2014 second quarter follow:***

**GTECH S.P.A. AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED INCOME STATEMENTS**

	For the three months ended June 30,	
	2014	2013
<i>(thousands of euros)</i>	<i>Unaudited</i>	
Service revenue	682,174	679,546
Product sales	68,955	82,478
<b>Total revenue</b>	<b>751,129</b>	<b>762,024</b>
Raw materials, services and other costs	375,108	376,594
Personnel	138,152	143,906
Depreciation	57,033	61,384
Amortization	50,518	46,691
Impairment recovery, net	(1,104)	(2,024)
Capitalization of internal construction costs - labor and overhead	(24,595)	(25,994)
<b>Total costs</b>	<b>595,112</b>	<b>600,557</b>
<b>Operating income</b>	<b>156,017</b>	<b>161,467</b>
Interest income	854	729
Equity loss	(2,107)	(243)
Other income	314	319
Other expense	(2,572)	(1,942)
Foreign exchange gain (loss), net	(534)	1,952
Interest expense	(40,797)	(40,502)
	<b>(44,842)</b>	<b>(39,687)</b>
<b>Income before income tax expense</b>	<b>111,175</b>	<b>121,780</b>
Income tax expense	45,576	49,686
<b>Net income</b>	<b>65,599</b>	<b>72,094</b>
Attributable to:		
Owners of the parent	60,775	67,262
Non-controlling interests	4,824	4,832
	<b>65,599</b>	<b>72,094</b>
<b>Earnings per share/ADRs</b>		
Basic - net income attributable to owners of the parent	" 0.35	" 0.39
Diluted - net income attributable to owners of the parent	" 0.35	" 0.39

**GTECH S.P.A. AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED INCOME STATEMENTS**

	For the six months ended June 30,	
	2014	2013
<i>(thousands of euros)</i>	<i>Unaudited</i>	
Service revenue	1,411,649	1,399,901
Product sales	120,733	159,642
<b>Total revenue</b>	<b>1,532,382</b>	<b>1,559,543</b>
Raw materials, services and other costs	749,513	763,159
Personnel	273,020	277,836
Depreciation	119,003	122,829
Amortization	99,540	93,339
Impairment recovery, net	(1,104)	(2,025)
Capitalization of internal construction costs - labor and overhead	(44,450)	(48,611)
<b>Total costs</b>	<b>1,195,522</b>	<b>1,206,527</b>
<b>Operating income</b>	<b>336,860</b>	<b>353,016</b>
Interest income	1,648	1,439
Equity loss	(2,041)	(129)
Other income	767	660
Other expense	(4,806)	(3,883)
Foreign exchange loss, net	(1,696)	(1,479)
Interest expense	(81,394)	(80,624)
	<b>(87,522)</b>	<b>(84,016)</b>
<b>Income before income tax expense</b>	<b>249,338</b>	<b>269,000</b>
Income tax expense	102,224	109,751
<b>Net income</b>	<b>147,114</b>	<b>159,249</b>
Attributable to:		
Owners of the parent	135,804	142,004
Non-controlling interests	11,310	17,245
	<b>147,114</b>	<b>159,249</b>
<b>Earnings per share/ADRs</b>		
Basic - net income attributable to owners of the parent	" 0.78	" 0.82
Diluted - net income attributable to owners of the parent	" 0.78	" 0.82

**GTECH S.P.A. AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	June 30, 2014	December 31, 2013
<i>(thousands of euros)</i>	<i>Unaudited</i>	<i>Audited</i>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Systems, equipment and other assets related to contracts, net	856,744	899,536
Property, plant and equipment, net	73,280	76,382
Goodwill	3,129,863	3,095,466
Intangible assets, net	1,186,326	1,257,297
Investments in associates and joint ventures	22,426	26,894
Other non-current assets	76,292	48,777
Non-current financial assets	32,998	28,886
Deferred income taxes	15,869	14,000
<b>Total non-current assets</b>	<b>5,393,798</b>	<b>5,447,238</b>
<b>Current assets</b>		
Inventories	139,604	146,406
Trade and other receivables, net	803,209	904,248
Other current assets	168,639	190,517
Current financial assets	14,228	12,273
Income taxes receivable	4,811	3,574
Cash and cash equivalents	368,573	419,118
<b>Total current assets</b>	<b>1,499,064</b>	<b>1,676,136</b>
<b>TOTAL ASSETS</b>	<b>6,892,862</b>	<b>7,123,374</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Issued capital	174,806	173,992
Share premium	1,649,525	1,717,261
Retained earnings	358,057	292,847
Other reserves	43,657	15,812
	2,226,045	2,199,912
<b>Non-controlling interests</b>	<b>279,701</b>	<b>403,620</b>
<b>Total equity</b>	<b>2,505,746</b>	<b>2,603,532</b>
<b>Non-current liabilities</b>		
Long-term debt, less current portion	2,645,655	2,641,260
Deferred income taxes	152,631	134,278
Long-term provisions	18,564	17,499
Other non-current liabilities	53,046	62,098
Non-current financial liabilities	56,262	60,600
<b>Total non-current liabilities</b>	<b>2,926,158</b>	<b>2,915,735</b>
<b>Current liabilities</b>		
Accounts payable	818,046	978,598
Short-term borrowings	13	851
Other current liabilities	344,211	361,740
Current financial liabilities	24,537	21,503
Current portion of long-term debt	182,732	214,496
Short-term provisions	755	1,185
Income taxes payable	90,664	25,734
<b>Total current liabilities</b>	<b>1,460,958</b>	<b>1,604,107</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,892,862</b>	<b>7,123,374</b>



**GTECH S.P.A. AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

	For the six months ended	
	June 30,	
	2014	2013
	Unaudited	
(thousands of euros)		
<b>Cash flows from operating activities</b>		
Income before income tax expense	249,338	269,000
Adjustments for:		
Depreciation	119,003	122,829
Intangibles amortization	99,584	93,384
Interest expense	81,394	80,624
Share-based payment expense	3,689	4,932
Non-cash foreign exchange loss, net	1,060	125
Provisions	702	(6,701)
Impairment recovery, net	(1,104)	(2,025)
Interest income	(1,648)	(1,439)
Other non-cash items	9,194	4,658
Cash foreign exchange loss, net	596	1,354
Income tax paid	(37,489)	(17,167)
<b>Cash flows before changes in operating assets and liabilities</b>	<b>524,319</b>	<b>549,574</b>
Changes in operating assets and liabilities:		
Trade and other receivables	105,273	(58,502)
Other current assets	22,067	13,910
Accounts payable	(136,864)	(132,109)
Deferred revenue	(20,852)	21,196
Employee compensation	(22,088)	(24,209)
Taxes other than income taxes	(17,801)	(12,733)
Advance payments from customers	1,321	(13,751)
Other assets and liabilities	4,242	10,977
<b>Net cash flows from operating activities</b>	<b>459,617</b>	<b>354,353</b>
<b>Cash flows from investing activities</b>		
Purchases of systems, equipment and other assets related to contracts	(82,628)	(91,922)
Acquisitions, net of cash acquired	(25,477)	(6,713)
Purchases of intangible assets	(8,461)	(108,762)
Purchases of property, plant and equipment	(3,907)	(5,100)
Interest received	1,549	1,759
Cash proceeds related to impairment recovery	-	2,025
Other	184	(6,825)
<b>Net cash flows used in investing activities</b>	<b>(118,740)</b>	<b>(215,538)</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(130,525)	(125,920)
Interest paid	(109,953)	(97,588)
Acquisition of non-controlling interest	(72,328)	-
Return of capital - non-controlling interest	(42,145)	(37,354)
Dividends paid - non-controlling interest	(32,427)	(33,601)
Net repayments of short-term borrowings	(825)	(785)
Capital increase - Northstar New Jersey Lottery Group, LLC	-	54,439
Other	(1,602)	(4,077)
<b>Net cash flows used in financing activities</b>	<b>(389,805)</b>	<b>(244,886)</b>
Net decrease in cash and cash equivalents	(48,928)	(106,071)
Effect of exchange rate changes on cash	(1,617)	(3,727)
Cash and cash equivalents at the beginning of the period	419,118	455,762
Cash and cash equivalents at the end of the period	368,573	345,964

**GTECH S.P.A. AND SUBSIDIARIES**  
**KEY FINANCIAL INDICATOR COMPARISONS**

	For the three months ended			
	June 30,		Change	
	2014	2013	"	%
Revenue	751,129	762,024	(10,895)	(1.4)
EBITDA	266,642	273,089	(6,447)	(2.4)
Operating income	156,017	161,467	(5,450)	(3.4)
Net income attributable to owners of the parent	60,775	67,262	(6,487)	(9.6)
Diluted earnings per share	0.35	0.39	(0.04)	(10.3)
<b>EBITDA</b>				
Operating income	156,017	161,467	(5,450)	(3.4)
Depreciation	57,033	61,384	(4,351)	(7.1)
Amortization	50,518	46,691	3,827	8.2
Impairment recovery, net	(1,104)	(2,024)	920	45.5
Restructuring costs	2,992	3,323	(331)	(10.0)
Other	1,186	2,248	(1,062)	(47.2)
EBITDA	<u>266,642</u>	<u>273,089</u>	<u>(6,447)</u>	<u>(2.4)</u>

**GTECH S.P.A. AND SUBSIDIARIES**  
**KEY FINANCIAL INDICATOR COMPARISONS**

	For the six months ended			
	June 30,		Change	
	2014	2013	"	%
Revenue	1,532,382	1,559,543	(27,161)	(1.7)
EBITDA	562,679	573,092	(10,413)	(1.8)
Operating income	336,860	353,016	(16,156)	(4.6)
Net income attributable to owners of the parent	135,804	142,004	(6,200)	(4.4)
Diluted earnings per share	0.78	0.82	(0.04)	(4.9)
<b>EBITDA</b>				
Operating income	336,860	353,016	(16,156)	(4.6)
Depreciation	119,003	122,829	(3,826)	(3.1)
Amortization	99,540	93,339	6,201	6.6
Impairment recovery, net	(1,104)	(2,025)	921	45.5
Restructuring costs	6,026	3,471	2,555	73.6
Other	2,354	2,462	(108)	(4.4)
EBITDA	<u>562,679</u>	<u>573,092</u>	<u>(10,413)</u>	<u>(1.8)</u>
	June 30,	December 31,	Change	
	2014	2013	"	%
Net financial position	2,526,398	2,507,319	19,079	0.8

**GTECH S.P.A. AND SUBSIDIARIES**  
**CONSOLIDATED REVENUE BREAKDOWN**

	For the three months ended			
	June 30,		Change	
	2014	2013	"	%
<i>(thousands of euros)</i>				
<b>Operating Segments</b>				
Americas	249,604	261,270	(11,666)	(4.5)
International	76,259	79,758	(3,499)	(4.4)
Italy	425,135	420,858	4,277	1.0
	750,998	761,886	(10,888)	(1.4)
Purchase accounting	131	138	(7)	(5.1)
	751,129	762,024	(10,895)	(1.4)

	For the six months ended			
	June 30,		Change	
	2014	2013	"	%
<i>(thousands of euros)</i>				
<b>Operating Segments</b>				
Americas	493,975	504,212	(10,237)	(2.0)
International	151,890	165,642	(13,752)	(8.3)
Italy	886,256	889,416	(3,160)	(0.4)
	1,532,121	1,559,270	(27,149)	(1.7)
Purchase accounting	261	273	(12)	(4.4)
	1,532,382	1,559,543	(27,161)	(1.7)

**GTECH S.P.A. AND SUBSIDIARIES**  
**AMERICAS SEGMENT**

	For the three months ended			
	June 30,		Change	
	2014	2013	"	%
<i>(thousands of euros)</i>				
Lottery	159,585	163,785	(4,200)	(2.6)
Machine Gaming	50,728	72,289	(21,561)	(29.8)
Lottery Management Services	30,161	17,391	12,770	73.4
All Other	9,130	7,805	1,325	17.0
Total revenue	249,604	261,270	(11,666)	(4.5)
Service revenue	200,081	198,579	1,502	0.8
Product sales	49,523	62,691	(13,168)	(21.0)
Total revenue	249,604	261,270	(11,666)	(4.5)
Lottery Same-Store Revenues	126,574	131,822	(5,248)	(4.0)
Wins	741	-	741	-
Gaming & Other	53,198	49,366	3,832	7.8
Lottery Management Services	31,232	17,391	13,841	79.6
Foreign Exchange Impact	(11,664)	-	(11,664)	-
Total Service Revenue	200,081	198,579	1,502	0.8

	For the six months ended			
	June 30,		Change	
	2014	2013	"	%
<i>(thousands of euros)</i>				
Lottery	330,461	315,973	14,488	4.6
Machine Gaming	84,085	139,031	(54,946)	(39.5)
Lottery Management Services	62,137	35,533	26,604	74.9
All Other	17,292	13,675	3,617	26.4
Total revenue	493,975	504,212	(10,237)	(2.0)
Service revenue	411,299	387,681	23,618	6.1
Product sales	82,676	116,531	(33,855)	(29.1)
Total revenue	493,975	504,212	(10,237)	(2.0)
Lottery Same-Store Revenues	258,386	255,297	3,089	1.2
Wins	5,093	-	5,093	-
Gaming & Other	107,549	96,851	10,698	11.0
Lottery Management Services	64,228	35,533	28,695	80.8
Foreign Exchange Impact	(23,957)	-	(23,957)	-
Total Service Revenue	411,299	387,681	23,618	6.1

**GTECH S.P.A. AND SUBSIDIARIES**  
**INTERNATIONAL SEGMENT**

	For the three months ended			
	June 30,		Change	
	2014	2013	"	%
<i>(thousands of euros)</i>				
Lottery	41,871	47,269	(5,398)	(11.4)
Machine Gaming	19,745	20,710	(965)	(4.7)
All Other	14,643	11,779	2,864	24.3
Total revenue	76,259	79,758	(3,499)	(4.4)
Service revenue	57,401	60,863	(3,462)	(5.7)
Product sales	18,858	18,895	(37)	(0.2)
Total revenue	76,259	79,758	(3,499)	(4.4)
Lottery Same Store Revenue	24,515	26,403	(1,888)	(7.2)
Gaming & Other	33,576	34,460	(884)	(2.6)
Foreign Exchange Impact	(690)	-	(690)	-
Total Service Revenue	57,401	60,863	(3,462)	(5.7)
	For the six months ended			
	June 30,		Change	
	2014	2013	"	%
<i>(thousands of euros)</i>				
Lottery	86,052	93,815	(7,763)	(8.3)
Machine Gaming	39,306	47,589	(8,283)	(17.4)
All Other	26,532	24,238	2,294	9.5
Total revenue	151,890	165,642	(13,752)	(8.3)
Service revenue	115,029	124,222	(9,193)	(7.4)
Product sales	36,861	41,420	(4,559)	(11.0)
Total revenue	151,890	165,642	(13,752)	(8.3)
Lottery Same Store Revenue	49,677	53,625	(3,948)	(7.4)
Gaming & Other	67,053	70,597	(3,544)	(5.0)
Foreign Exchange Impact	(1,701)	-	(1,701)	-
Total Service Revenue	115,029	124,222	(9,193)	(7.4)

**GTECH S.P.A. AND SUBSIDIARIES**  
**ITALY SEGMENT**

	For the three months ended			
	June 30,		Change	
	2014	2013	"	%
<i>(thousands of euros)</i>				
Lotto	101,698	100,222	1,476	1.5
Instant tickets	91,244	92,963	(1,719)	(1.8)
Lottery	192,942	193,185	(243)	(0.1)
Machine Gaming	141,350	143,894	(2,544)	(1.8)
Sports Betting	40,186	31,734	8,452	26.6
Commercial Services	33,500	33,284	216	0.6
Interactive Games	17,157	18,761	(1,604)	(8.5)
Total revenue	425,135	420,858	4,277	1.0
<b>Lotto</b> <i>(millions of euros)</i>				
Core wagers	1,435.5	1,397.4	38.1	2.7
Wagers for late numbers	125.0	135.7	(10.7)	(7.9)
	1,560.5	1,533.1	27.4	1.8
<b>Instant Tickets</b>				
Total sales (in millions)	" 2,314.6	" 2,374.2	(" 59.6)	(2.5)
Total tickets sold (in millions)	468.5	499.3	(30.8)	(6.2)
Average price point	" 4.94	" 4.76	" 0.18	3.8
<b>Machine Gaming</b> <i>(millions of euros)</i>				
VLT wagers	1,367.3	1,614.4	(247.1)	(15.3)
AWP wagers	1,102.3	1,123.2	(20.9)	(1.9)
Total wagers	2,469.6	2,737.6	(268.0)	(9.8)
<i>(Installed at the end of June)</i>				
VLTs installed	10,894	10,577	317	3.0
AWP machines installed	69,726	70,716	(990)	(1.4)
Total machines installed	80,620	81,293	(673)	(0.8)
<b>Sports Betting</b> <i>(millions of euros)</i>				
Fixed odds sports betting and other wagers	218.2	177.6	40.6	22.9
<b>Interactive Games</b> <i>(millions of euros)</i>				
Interactive game wagers	448.5	505.8	(57.3)	(11.3)

**GTECH S.P.A. AND SUBSIDIARIES**  
**ITALY SEGMENT**

	For the six months ended			
	June 30,		Change	
	2014	2013	"	%
<i>(thousands of euros)</i>				
Lotto	205,158	205,522	(364)	(0.2)
Instant tickets	188,050	192,789	(4,739)	(2.5)
Lottery	393,208	398,311	(5,103)	(1.3)
Machine Gaming	286,559	296,252	(9,693)	(3.3)
Sports Betting	102,454	88,875	13,579	15.3
Commercial Services	67,667	66,052	1,615	2.4
Interactive Games	36,368	39,926	(3,558)	(8.9)
Total revenue	886,256	889,416	(3,160)	(0.4)
<b>Lotto</b> <i>(millions of euros)</i>				
Core wagers	2,944.8	2,882.1	62.7	2.2
Wagers for late numbers	184.5	255.9	(71.4)	(27.9)
	3,129.3	3,138.0	(8.7)	(0.3)
<b>Instant Tickets</b>				
Total sales (in millions)	" 4,790.5	" 4,920.4	(" 129.9)	(2.6)
Total tickets sold (in millions)	967.3	1,024.5	(57.2)	(5.6)
Average price point	" 4.95	" 4.80	" 0.15	3.1
<b>Machine Gaming</b> <i>(millions of euros)</i>				
VLT wagers	2,864.4	3,393.3	(528.9)	(15.6)
AWP wagers	2,242.8	2,267.0	(24.2)	(1.1)
Total wagers	5,107.2	5,660.3	(553.1)	(9.8)
<i>(Installed at the end of June)</i>				
VLTs installed	10,894	10,577	317	3.0
AWP machines installed	69,726	70,716	(990)	(1.4)
Total machines installed	80,620	81,293	(673)	(0.8)
<b>Sports Betting</b> <i>(millions of euros)</i>				
Fixed odds sports betting and other wagers	469.6	390.2	79.4	20.3
<b>Interactive Games</b> <i>(millions of euros)</i>				
Interactive game wagers	927.1	1,009.8	(82.7)	(8.2)



**GTECH S.P.A. AND SUBSIDIARIES**  
**NET FINANCIAL POSITION**

<i>(thousands of euros)</i>	June 30, 2014	December 31, 2013	Change
Cash at bank	365,479	416,787	(51,308)
Cash on hand	3,094	2,331	763
<b>Cash and cash equivalents</b>	<b>368,573</b>	<b>419,118</b>	<b>(50,545)</b>
<b>Current financial receivables</b>	<b>14,228</b>	<b>12,273</b>	<b>1,955</b>
Facilities	127,226	125,901	1,325
2009 Notes (due 2016)	23,082	2,926	20,156
Capital Securities	15,469	46,406	(30,937)
2010 Notes (due 2018)	11,112	24,549	(13,437)
2012 Notes (due 2020)	5,658	14,408	(8,750)
Short-term borrowings	13	851	(838)
Other	24,722	21,809	2,913
<b>Current financial debt</b>	<b>207,282</b>	<b>236,850</b>	<b>(29,568)</b>
<b>Net current financial cash</b>	<b>(175,519)</b>	<b>(194,541)</b>	<b>19,022</b>
2009 Notes (due 2016)	756,604	756,558	46
Capital Securities	745,131	743,803	1,328
2010 Notes (due 2018)	496,556	496,128	428
2012 Notes (due 2020)	493,370	492,851	519
Facilities	152,506	150,446	2,060
Other	57,750	62,074	(4,324)
<b>Non current financial debt</b>	<b>2,701,917</b>	<b>2,701,860</b>	<b>57</b>
<b>Net financial position</b>	<b>2,526,398</b>	<b>2,507,319</b>	<b>19,079</b>

**GTECH S.P.A. AND SUBSIDIARIES**  
**DEBT**

	June 30, 2014	December 31, 2013
<i>(thousands of euros)</i>		
<b>Long-term debt, less current portion</b>		
2009 Notes (due 2016)	756,604	756,558
Capital Securities	745,131	743,803
2010 Notes (due 2018)	496,556	496,128
2012 Notes (due 2020)	493,370	492,851
Facilities	152,506	150,446
Other	1,488	1,474
	<u>2,645,655</u>	<u>2,641,260</u>
<b>Short-term borrowings</b>		
Short-term borrowings	13	851
	<u>13</u>	<u>851</u>
<b>Current portion of long-term debt</b>		
Facilities	127,226	125,901
2009 Notes (due 2016)	23,082	2,926
Capital Securities	15,469	46,406
2010 Notes (due 2018)	11,112	24,549
2012 Notes (due 2020)	5,658	14,408
Other	185	306
	<u>182,732</u>	<u>214,496</u>
<b>Total debt</b>	<u>2,828,400</u>	<u>2,856,607</u>

**GTECH S.P.A. AND SUBSIDIARIES**  
**INTEREST EXPENSE**

	For the three months ended June 30,		For the six months ended June 30,	
	2014	2013	2014	2013
<i>(thousands of euros)</i>				
Capital Securities	(16,133)	(16,133)	(32,266)	(32,266)
2009 Notes (due 2016)	(9,316)	(9,327)	(18,630)	(18,714)
2010 Notes (due 2018)	(6,934)	(6,922)	(13,866)	(13,842)
2012 Notes (due 2020)	(4,636)	(4,626)	(9,269)	(9,250)
Facilities	(2,393)	(2,948)	(4,735)	(5,467)
Other	(1,385)	(546)	(2,628)	(1,085)
	<u>(40,797)</u>	<u>(40,502)</u>	<u>(81,394)</u>	<u>(80,624)</u>

**OPERATING SEGMENT INFORMATION**

	Third-party revenue			
	For the three months ended June 30,		For the six months ended June 30,	
	2014	2013	2014	2013
<i>(thousands of euros)</i>				
<b>Operating Segments</b>				
Americas	249,604	261,270	493,975	504,212
International	76,259	79,758	151,890	165,642
Italy	425,135	420,858	886,256	889,416
	<u>750,998</u>	<u>761,886</u>	<u>1,532,121</u>	<u>1,559,270</u>
Purchase accounting	131	138	261	273
	<u>751,129</u>	<u>762,024</u>	<u>1,532,382</u>	<u>1,559,543</u>

	Operating income			
	For the three months ended June 30,		For the six months ended June 30,	
	2014	2013	2014	2013
<i>(thousands of euros)</i>				
<b>Operating Segments</b>				
Americas	26,118	35,695	56,610	73,626
International	12,358	12,011	27,688	25,516
Italy	142,602	139,791	300,370	302,126
	<u>181,078</u>	<u>187,497</u>	<u>384,668</u>	<u>401,268</u>
Corporate support	(13,291)	(11,446)	(23,287)	(19,382)
Purchase accounting	(11,770)	(14,584)	(24,521)	(28,870)
	<u>156,017</u>	<u>161,467</u>	<u>336,860</u>	<u>353,016</u>

**GTECH S.P.A. AND SUBSIDIARIES**  
**OPERATING SEGMENT INFORMATION**

		<b>Depreciation</b>			
		For the three months ended		For the six months ended	
		June 30,		June 30,	
		2014	2013	2014	2013
<i>(thousands of euros)</i>					
<b>Operating Segments</b>					
Americas		32,788	33,975	65,262	68,542
International		4,668	4,561	8,938	8,974
Italy		14,404	17,135	34,615	33,654
		51,860	55,671	108,815	111,170
Corporate support		3,788	3,710	7,429	7,690
Purchase accounting		1,385	2,003	2,759	3,969
		57,033	61,384	119,003	122,829
		<b>Amortization</b>			
		For the three months ended		For the six months ended	
		June 30,		June 30,	
		2014	2013	2014	2013
<i>(thousands of euros)</i>					
<b>Operating Segments</b>					
Americas		1,474	-	2,930	-
International		-	-	-	2
Italy		35,981	33,862	71,943	67,942
		37,455	33,862	74,873	67,944
Corporate support		123	105	220	210
Purchase accounting		12,940	12,724	24,447	25,185
		50,518	46,691	99,540	93,339
		<b>Impairment recovery, net</b>			
		For the three months ended		For the six months ended	
		June 30,		June 30,	
		2014	2013	2014	2013
<i>(thousands of euros)</i>					
<b>Operating Segments</b>					
Americas		-	-	-	-
International		1,320	(2,024)	1,320	(2,025)
Italy		-	-	-	-
		1,320	(2,024)	1,320	(2,025)
Corporate support		-	-	-	-
Purchase accounting		(2,424)	-	(2,424)	-
		(1,104)	(2,024)	(1,104)	(2,025)