



## NEWS RELEASE

### INTERNATIONAL GAME TECHNOLOGY PLC REPORTS SECOND QUARTER 2020 RESULTS

- **Results highlight value of diverse business portfolio, global reach, resilience of lottery, and swift response to unprecedented conditions**
- **Liquidity and net debt improved on positive cash flow performance; generated \$168 million in cash from operating activities and \$107 million in free cash flow during the second quarter**
- **Net loss of \$280 million; adjusted net loss of \$121 million**
- **Delivered \$168 million in adjusted EBITDA with important contribution from strict cost discipline**
- **On track to achieve \$500 million in 2020 cost reduction/avoidance; identified over \$200 million in longer-term, structural and discretionary cost savings**

**LONDON** – August 4, 2020 – International Game Technology PLC (“IGT”) (NYSE:IGT) today reported financial results for the second quarter ended June 30, 2020. Today, at 8:00 a.m. EDT, management will host a conference call and webcast to present the results; access details are provided below.

“Our second quarter results reflect the intense impact of global lockdowns caused by the pandemic,” said **Marco Sala, CEO of IGT**. “That said, thanks to strong North America Lottery performance and our swift adoption of cost-saving and avoidance measures, we delivered better cash flow than we expected back in May. Our resilience is a direct consequence of the diversity of our global portfolio of products and solutions. The improving trends we are currently seeing are encouraging, but we remain prudent with our planning. Our new organizational structure enhances our readiness to adapt to changes in market conditions.”

“Cash generation and liquidity remain our top financial priority,” said **Max Chiara, CFO of IGT**. “The proactive efficiency initiatives and focused capital markets activity we executed in the quarter have us tracking ahead of plan on all key measures and we expect to deliver positive free cash flow this fiscal year. We have the resources we need to navigate the impact COVID-19 is having on our business and we are making important, strategic decisions to enhance our operational flexibility. This includes over \$200 million in structural and discretionary cost savings compared to pre-pandemic levels.”

## Overview of Consolidated Second Quarter 2020 Results

	<u>Quarter Ended</u>		Y/Y Change (%)	Constant Currency Change (%)
	June 30, 2020	2019		
<b>(In \$ millions, unless otherwise noted)</b>				
Revenue	637	1,234	-48%	-48%
Operating (loss)/income	(94)	224	NM	
Net (loss)/income per diluted share	(\$1.37)	\$0.02	NM	
Adjusted EBITDA	168	454	-63%	-63%
Adjusted net (loss)/income per diluted share	(\$0.59)	\$0.44	NM	
Net debt	7,289	7,637	-5%	

Note: Adjusted EBITDA and adjusted net (loss)/income per diluted share are non-GAAP financial measures. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures are provided at the end of this news release.

Second quarter 2020 results reflect the impact of global COVID-19 restrictions. Revenue was down across all business segments and all primary revenue streams except for digital activities, where revenue increased 35%. Progressive easing of restrictions during the quarter and cost-saving initiatives helped mitigate impact.

### Financial highlights:

Consolidated revenue of \$637 million, down 48% from the prior year

- Global gaming revenue declined 72%, driven by the closure of casinos and gaming halls, fewer unit shipments, and lower systems and software sales compared to the prior year
- Global lottery revenue down 26% on reduced traffic to points of sale and temporary game shutdowns in Italy
- Gaming and lottery trends improved each month as venues re-opened and restrictions eased

Operating loss of \$94 million, down from income of \$224 million in the prior year

- Lower profit contribution from reduced business volumes
- Includes \$43 million in restructuring expense
- Oklahoma strategic transaction and high-margin poker and systems sales embedded in the prior year
- Accelerating benefit from actions taken to reduce costs

Net interest expense of \$96 million compared to \$104 million in the prior year

- Capital market transactions drive lower cost of debt

Benefit from income taxes of \$11 million, compared to a provision of \$63 million, driven by lower pre-tax income

Net loss attributable to IGT was \$280 million; adjusted net loss attributable to IGT of \$121 million versus adjusted net income of \$91 million in the prior year

- Reflects operating loss and higher foreign exchange and debt extinguishment losses in the current year

Net loss per diluted share of \$1.37; adjusted net loss per diluted share of \$0.59 compared to adjusted net income of \$0.44 in the prior year

Adjusted EBITDA of \$168 million compared to \$454 million in the prior-year period

Net debt of \$7.29 billion improved \$93 million from \$7.38 billion at December 31, 2019; Net debt to LTM adjusted EBITDA of 5.52x, up from 4.31x at December 31, 2019, primarily due to lower EBITDA in the first half of 2020

### **Cash and Liquidity Update**

- Preserving cash and liquidity is the top financial priority
- At June 30, 2020, liquidity totalled \$2.3 billion, comprised of \$1.3 billion in unrestricted cash and \$1.0 billion available under revolving credit facilities

### **Other Developments**

- In an effort to accelerate the Company's response to market conditions, over \$200 million has been identified in structural cost savings compared to pre-pandemic levels. These savings are mostly expected in 2021 and to come from:
  - Eliminating duplicative functions and streamlining back-office activities
  - Optimizing the global investment in technology to focus on value-accretive know-how
  - Rationalizing R&D based on disciplined risk/return priorities
  - Optimizing our supply chain for maximum cost efficiency
- Issuance of \$750 million 5.25% Notes due 2029, as previously announced
  - \$500 million of net proceeds used to fund a partial tender of 6.25% Notes due 2022
  - Lowest USD-denominated coupon ever issued by the Company
  - Longest duration issuance since 2015

### **Conference Call and Webcast**

August 4, 2020, at 8:00 a.m. EDT

Live webcast available under "News, Events & Presentations" on IGT's Investor Relations website at [www.IGT.com](http://www.IGT.com); replay available on the website following the live event

#### Dial-In Numbers

- US/Canada toll-free dial-in number: +1 844 842 7999
- Outside the US/Canada toll-free number: +1 612 979 9887
- Conference ID/confirmation code: 4889985
- A telephone replay of the call will be available for one week
  - US/Canada replay number: +1 855 859 2056
  - Outside the US/Canada replay number: +1 404 537 3406
  - ID/Confirmation code: 4889985

### **Comparability of Results**

All figures presented in this news release are prepared under U.S. GAAP, unless noted otherwise. Adjusted figures exclude the impact of items such as purchase accounting, impairment charges,

restructuring expense, foreign exchange, and certain one-time, primarily transaction-related items. Reconciliations to the most directly comparable U.S. GAAP measures are included in the tables in this news release. Constant currency changes for 2020 are calculated using the same foreign exchange rates as the corresponding 2019 period. Management uses non-GAAP financial measures to understand and compare operating results across accounting periods, for internal budgeting and forecasting purposes, and to evaluate the Company's financial performance. Management believes these non-GAAP financial measures reflect the Company's ongoing business in a manner that allows for meaningful period-to-period comparisons and analysis of business trends. These constant currency changes and non-GAAP financial measures should however be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with U.S. GAAP.

### **About IGT**

IGT (NYSE:IGT) is the global leader in gaming. We deliver entertaining and responsible gaming experiences for players across all channels and regulated segments, from Gaming Machines and Lotteries to Sports Betting and Digital. Leveraging a wealth of compelling content, substantial investment in innovation, player insights, operational expertise, and leading-edge technology, our solutions deliver unrivalled gaming experiences that engage players and drive growth. We have a well-established local presence and relationships with governments and regulators in more than 100 countries around the world, and create value by adhering to the highest standards of service, integrity, and responsibility. IGT has approximately 12,000 employees. For more information, please visit [www.IGT.com](http://www.IGT.com).

### **Cautionary Statement Regarding Forward-Looking Statements**

This news release may contain forward-looking statements (including within the meaning of the Private Securities Litigation Reform Act of 1995) concerning International Game Technology PLC and its consolidated subsidiaries (the "Company") and other matters. These statements may discuss goals, intentions, and expectations as to future plans, trends, events, dividends, results of operations, or financial condition, or otherwise, based on current beliefs of the management of the Company as well as assumptions made by, and information currently available to, such management. Forward-looking statements may be accompanied by words such as "aim," "anticipate," "believe," "plan," "could," "would," "should," "shall," "continue," "estimate," "expect," "forecast," "future," "guidance," "intend," "may," "will," "possible," "potential," "predict," "project" or the negative or other variations of them. These forward-looking statements speak only as of the date on which such statements are made and are subject to various risks and uncertainties, many of which are outside the Company's control. Should one or more of these risks or uncertainties materialize, or should any of the underlying assumptions prove incorrect, actual results may differ materially from those predicted in the forward-looking statements and from past results, performance, or achievements. Therefore, you should not place undue reliance on such statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include (but are not limited to) the uncertainty of the duration, extent, and effects of the COVID-19 pandemic and the response of governments, including government-mandated property closures and travel restrictions, and other third parties on the Company's business, results of operations, cash flows, liquidity and development prospects and the factors and risks described in the Company's annual report on Form 20-F for the financial year ended December 31, 2019 and other documents filed from time to time with the SEC, which are available on the SEC's website at [www.sec.gov](http://www.sec.gov) and on the investor relations section of the Company's website at [www.IGT.com](http://www.IGT.com). Except as required under applicable law, the Company does not assume any obligation to update these forward-looking statements. You should carefully consider these factors and other risks and uncertainties that affect the Company's business. Nothing in this news release is intended, or is to be construed, as a profit forecast or to be interpreted to

mean that the financial performance of International Game Technology PLC for the current or any future financial years will necessarily match or exceed the historical published financial performance or International Game Technology PLC, as applicable. All forward-looking statements contained in this news release are qualified in their entirety by this cautionary statement. All subsequent written or oral forward-looking statements attributable to International Game Technology PLC, or persons acting on its behalf, are expressly qualified in their entirety by this cautionary statement.

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## Second Quarter Operating Segment Review

### North America Gaming & Interactive

Select Financial Data					Key Performance Indicators					
3 Month Period Ended June 30th		Q2 '20	Q2 '19	As Reported	Constant FX	3 Month Period Ended June 30th		Q2 '20	Q2 '19	% Change
Gaming	<b>Total revenue</b>	<b>92</b>	<b>268</b>	<b>-66%</b>	<b>-66%</b>	<b>Installed base units (end of period)</b>				
	<b>Gaming services</b>	<b>47</b>	<b>165</b>	<b>-72%</b>	<b>-72%</b>	Casino	18,410	21,073	-12.6%	
	Terminal	22	106	-79%	-79%	Casino - L/T lease <sup>(1)</sup>	930	-		
	Other	25	59	-58%	-58%	<b>Total installed base units</b>	<b>19,340</b>	<b>21,073</b>	<b>-8.2%</b>	
	<b>Product sales</b>	<b>45</b>	<b>104</b>	<b>-56%</b>	<b>-56%</b>	<i>(1) Yield calculations should exclude these units due to accounting treatment as sales-type leases</i>				
	Terminal	40	73	-45%	-45%	<b>Machine units shipped</b>				
Other	5	30	-84%	-84%	New/expansion	1,382	438	215.5%		
Other	<b>Total revenue</b>	<b>4</b>	<b>6</b>	<b>-30%</b>	<b>-30%</b>	Replacement	1,344	4,223	-68.2%	
	<b>Service revenue</b>	<b>4</b>	<b>6</b>	<b>-35%</b>	<b>-35%</b>	<b>Total machines shipped</b>	<b>2,726</b>	<b>4,661</b>	<b>-41.5%</b>	
	<b>Product revenue</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0%</b>					
Total	<b>Revenue</b>	<b>96</b>	<b>274</b>	<b>-65%</b>	<b>-65%</b>					
	<b>Operating (Loss)/Income</b>	<b>(20)</b>	<b>85</b>	<b>NM</b>	<b>NM</b>					

Revenue of \$96 million, down from \$274 million in the prior-year period

- Gaming service revenue of \$47 million
  - Casino closures impact terminal revenue
  - Drop in other revenue reflects multi-year poker license in the prior year
- Gaming product sales revenue of \$45 million
  - New/expansion shipments driven by 977 historical horse racing units
  - Shipped 1,344 replacement units
  - Systems revenue down from high level in the prior year

Operating loss of \$20 million compared to operating income of \$85 million in the prior year

- Impact of casino closures
- Oklahoma strategic transaction and high-margin poker and systems sales in the prior year
- Partly offset by benefit from cost-saving initiatives

## North America Lottery

Select Financial Data				As	Constant	Key Performance Indicators					
3 Month Period Ended June 30th		Q2 '20	Q2 '19	Reported	FX	3 Month Period Ended June 30th			Q2 '20	Q2 '19	%
						Change					
Gaming	Total revenue	20	37	-47%	-46%	<b>Installed base units (end of period)</b>					
	Gaming services	19	37	-48%	-47%	VLT - Government sponsored			13,559	14,215	-4.6%
	Terminal	1	25	-94%	-94%	<b>Lottery same-store revenue growth</b>					
	Other	18	12	45%	48%	Instant ticket & draw games			10.5%		
	Product sales	1	1	17%	17%	Multistate jackpots			-28.0%		
						<b>Total lottery same-store revenue growth</b>			<b>6.2%</b>		
Lottery	Total revenue	254	270	-6%	-6%						
	Lottery services	234	238	-2%	-2%						
	FMC	214	202	6%	6%						
	Instant ticket & draw games	184	168	9%	9%						
	Other services	29	34	-13%	-13%						
	LMA	20	36	-43%	-43%						
	Product sales	19	32	-40%	-40%						
Other	Total revenue	0	1	-87%	-87%						
	Service revenue	0	1	-87%	-87%						
Total	Revenue	273	309	-12%	-11%						
	Operating income	75	78	-4%	-3%						

Revenue of \$273 million, down from \$309 million in the prior-year period

- Lottery service revenue of \$234 million, down 2%
  - Strong double-digit same-store revenue growth for instant ticket & draw games nearly offsets impact of mobility restrictions and lower jackpot activity
  - LMA revenue reflects reduced play levels in NJ and lower pass-through revenue
- Gaming service revenue impacted by closure of VLT venues, partly offset by growth in Canada iGaming
- Product sales revenue reflects lower systems revenue

Operating income of \$75 million compared to \$78 million in the prior year

- Same-store revenue growth and cost-saving initiatives mostly offset lower gaming and LMA contributions

## International

Select Financial Data				As	Constant	Key Performance Indicators			
3 Month Period Ended June 30th				Reported	FX	3 Month Period Ended June 30th			
		Q2 '20	Q2 '19			Q2 '20	Q2 '19	%	
								Change	
Gaming	<b>Total revenue</b>	21	142	-85%	-85%	<b>Installed base units (end of period)</b>			
	<b>Gaming services</b>	12	28	-57%	-56%	Casino	9,724	10,039	-3.1%
	Terminal	1	12	-95%	-94%	VLT - Government sponsored	5,110	4,436	15.2%
	Other	11	16	-28%	-25%	<b>Total installed base units</b>	<b>14,834</b>	<b>14,475</b>	<b>2.5%</b>
	<b>Product sales</b>	9	114	-92%	-92%	<b>Machine units shipped</b>			
	Terminal	4	82	-95%	-95%	New/expansion	61	700	-91.3%
	Other	6	33	-83%	-83%	Replacement	208	5,863	-96.5%
						<b>Total machines shipped</b>	<b>269</b>	<b>6,563</b>	<b>-95.9%</b>
Lottery	<b>Total revenue</b>	55	70	-22%	-19%	<b>Lottery same-store revenue growth</b>			
	<b>Lottery services</b>	52	67	-22%	-19%	Instant ticket & draw games			-28.2%
	FMC	52	67	-22%	-19%	Multistate jackpots			-7.8%
	Instant ticket & draw games	34	53	-35%	-33%	<b>Total lottery same-store revenue growth</b>			<b>-27.1%</b>
	Other services	18	14	27%	34%				
	<b>Product sales</b>	2	3	-22%	-21%				
Other	<b>Total revenue</b>	7	17	-55%	-48%				
	<b>Service revenue</b>	7	16	-55%	-48%				
	<b>Product sales</b>	0	0	-65%	-64%				
Total	<b>Revenue</b>	84	229	-64%	-62%				
	<b>Operating (Loss)/Income</b>	(20)	30	NM	NM				

Revenue of \$84 million, down from \$229 million in the prior-year period

- Lottery service revenue of \$52 million
  - Same-store revenue growth impacted by mobility restrictions and shutdown of games in certain markets; trends progressively improving as restrictions ease
- Gaming product sales of \$9 million
  - Fewer unit shipments, primarily in Latin America, impact terminal revenue; VLT shipments to Sweden in prior year
  - Other product sales reflect Italy AWP upgrades in the prior year
- Gaming service revenue lower on casino closures; installed base stable

Operating loss of \$20 million compared to operating income of \$30 million in the prior year

- Impact of lower unit volume and revenue mix
- Partly offset by benefit from cost-saving initiatives



## Italy

Select Financial Data					Key Performance Indicators					
3 Month Period Ended June 30th		Q2 '20	Q2 '19	As Reported	Constant FX	3 Month Period Ended June 30th		Q2 '20	Q2 '19	% Change
Gaming	Total revenue	33	153	-78%	-78%	<i>(In € millions, except machines)</i>				
	Gaming services	33	153	-78%	-78%	<b>Lottery</b>				
	Terminal	12	136	-91%	-91%	<b>Lotto wagers</b>				
	Other	21	17	25%	27%	10eLotto				
	Product sales	0	0	-98%	-98%	914 2,064 -55.7%				
Lottery	Total revenue	86	190	-55%	-55%	10eLotto				
	Lottery services	86	190	-55%	-55%	610 1,507 -59.5%				
	FMC	86	190	-55%	-55%	Core				
	Instant ticket & draw games	133	238	-44%	-44%	256 479 -46.5%				
	Other services	(47)	(48)	-1%	0%	Late numbers				
	Product sales	0	0	0%	0%	MillionDAY				
Other	Total revenue	66	79	-17%	-15%	<b>Scratch &amp; Win wagers</b>				
	Service revenue	66	79	-17%	-15%	1,649 2,257 -27.0%				
	Product sales	0	0	0%	0%	<b>Italy lottery revenue growth</b>				
Total	Revenue	184	422	-56%	-56%	<b>Gaming</b>				
	Operating (Loss)/Income	(7)	133	NM	NM	<b>Installed base (end of period)</b>				
						VLT - Operator (B2C)				
						10,844 10,929 -0.8%				
						VLT - Supplier (B2B)				
						7,253 7,524 -3.6%				
						AWP				
						37,138 40,268 -7.8%				
						<b>Total installed base</b>				
						55,235 58,721 -5.9%				
						<b>Wagers</b>				
						VLT - Operator (B2C)				
						150 1,427 -89.5%				
						AWP				
						83 916 -90.9%				
						Interactive wagers (gaming)				
						729 508 43.7%				
						<b>Other</b>				
						Sports betting wagers <sup>(1)</sup>				
						79 252 -68.5%				
						Sports betting payout (%) <sup>(1)</sup>				
						88.1% 82.2% 5.9 pp				
						<i>(1) Includes virtual wagers and pools &amp; horses</i>				

Revenue of \$184 million, down from \$422 million in the prior-year period

- Lottery service revenue reflects timing of game reopening and points of sale restrictions; trends improve each month in the quarter
- Gaming service revenue reflects closure of gaming halls
- Interactive wagers rise 44%
- Commercial services revenue higher, more than offset by lower sports betting activity

Operating loss of \$7 million compared to operating income of \$133 million in the prior year

- Impact of COVID-19 restrictions
- Partly offset by benefit from cost-saving initiatives

**International Game Technology PLC**  
**Consolidated Statements of Operations**  
(\$ and shares in thousands, except per share amounts)  
**Unaudited**

	For the three months ended	
	June 30,	
	2020	2019
Service revenue	560,338	980,031
Product sales	77,146	254,222
<b>Total revenue</b>	<b>637,484</b>	<b>1,234,253</b>
Cost of services	416,660	594,598
Cost of product sales	67,207	160,786
Selling, general and administrative	171,950	213,263
Research and development	31,335	65,383
Restructuring expense	43,429	2,412
Other operating expense (income), net	1,009	(25,904)
<b>Total operating expenses</b>	<b>731,590</b>	<b>1,010,538</b>
<b>Operating (loss) income</b>	<b>(94,106)</b>	<b>223,715</b>
Interest expense, net	(95,599)	(103,860)
Foreign exchange loss, net	(74,384)	(41,061)
Other (expense) income, net	(29,374)	23,493
<b>Total non-operating expenses</b>	<b>(199,357)</b>	<b>(121,428)</b>
<b>(Loss) income before (benefit from) provision for income taxes</b>	<b>(293,463)</b>	<b>102,287</b>
(Benefit from) provision for income taxes	(11,321)	63,300
<b>Net (loss) income</b>	<b>(282,142)</b>	<b>38,987</b>
Less: Net (loss) income attributable to non-controlling interests	(2,526)	34,131
<b>Net (loss) income attributable to IGT PLC</b>	<b>(279,616)</b>	<b>4,856</b>
<b>Net (loss) income attributable to IGT PLC per common share - basic</b>	<b>(1.37)</b>	<b>0.02</b>
<b>Net (loss) income attributable to IGT PLC per common share - diluted</b>	<b>(1.37)</b>	<b>0.02</b>
<b>Weighted-average shares - basic</b>	<b>204,748</b>	<b>204,407</b>
<b>Weighted-average shares - diluted</b>	<b>204,748</b>	<b>204,412</b>

**International Game Technology PLC**  
**Consolidated Statements of Operations**  
(\$ and shares in thousands, except per share amounts)  
**Unaudited**

	For the six months ended	
	June 30,	
	2020	2019
Service revenue	1,343,639	1,971,062
Product sales	234,040	408,107
<b>Total revenue</b>	<b>1,577,679</b>	<b>2,379,169</b>
Cost of services	938,487	1,189,925
Cost of product sales	158,306	260,971
Selling, general and administrative	335,543	415,100
Research and development	92,072	131,501
Restructuring expense	47,053	5,701
Goodwill impairment <sup>(1)</sup>	296,000	-
Other operating expense (income), net	1,603	(25,896)
<b>Total operating expenses</b>	<b>1,869,064</b>	<b>1,977,302</b>
<b>Operating (loss) income</b>	<b>(291,385)</b>	<b>401,867</b>
Interest expense, net	(196,261)	(206,929)
Foreign exchange (loss) gain, net	(4,024)	17,541
Other (expense) income, net	(32,760)	22,995
<b>Total non-operating expenses</b>	<b>(233,045)</b>	<b>(166,393)</b>
<b>(Loss) income before (benefit from) provision for income taxes</b>	<b>(524,430)</b>	<b>235,474</b>
(Benefit from) provision for income taxes	(8,189)	115,992
<b>Net (loss) income</b>	<b>(516,241)</b>	<b>119,482</b>
Less: Net income attributable to non-controlling interests	11,663	74,372
<b>Net (loss) income attributable to IGT PLC</b>	<b>(527,904)</b>	<b>45,110</b>
<b>Net (loss) income attributable to IGT PLC per common share - basic</b>	<b>(2.58)</b>	<b>0.22</b>
<b>Net (loss) income attributable to IGT PLC per common share - diluted</b>	<b>(2.58)</b>	<b>0.22</b>
<b>Weighted-average shares - basic</b>	<b>204,591</b>	<b>204,309</b>
<b>Weighted-average shares - diluted</b>	<b>204,591</b>	<b>204,532</b>

<sup>(1)</sup> Reduces the carrying value of the International and North America Gaming & Interactive segments by \$193 million and \$103 million, respectively

**International Game Technology PLC**  
**Consolidated Balance Sheets**  
(\$ thousands)  
**Unaudited**

	June 30, 2020	December 31, 2019
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	1,346,741	662,934
Restricted cash and cash equivalents	183,021	231,317
Trade and other receivables, net	860,351	1,006,127
Inventories	173,022	161,790
Other current assets	574,549	571,869
<b>Total current assets</b>	3,137,684	2,634,037
Systems, equipment and other assets related to contracts, net	1,214,903	1,307,940
Property, plant and equipment, net	139,634	146,055
Operating lease right-of-use-assets	336,561	341,538
Goodwill	5,150,931	5,451,494
Intangible assets, net	1,722,325	1,836,002
Other non-current assets	1,791,246	1,927,524
<b>Total non-current assets</b>	10,355,600	11,010,553
<b>Total assets</b>	13,493,284	13,644,590
 <b>Liabilities and shareholders' equity</b>		
Current liabilities:		
Accounts payable	1,103,975	1,120,922
Current portion of long-term debt	358,336	462,155
Short-term borrowings	79,291	3,193
Other current liabilities	939,440	882,081
<b>Total current liabilities</b>	2,481,042	2,468,351
Long-term debt, less current portion	8,198,124	7,600,169
Deferred income taxes	331,919	366,822
Operating lease liabilities	309,556	310,721
Other non-current liabilities	378,515	413,549
<b>Total non-current liabilities</b>	9,218,114	8,691,261
<b>Total liabilities</b>	11,699,156	11,159,612
<b>Commitments and contingencies</b>		
<b>Shareholders' equity</b>	1,794,128	2,484,978
<b>Total liabilities and shareholders' equity</b>	13,493,284	13,644,590

**International Game Technology PLC**  
**Consolidated Statements of Cash Flows**  
(\$ thousands)  
**Unaudited**

	For the six months ended	
	June 30,	
	2020	2019
<b>Cash flows from operating activities</b>		
Net (loss) income	(516,241)	119,482
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Goodwill impairment	296,000	-
Depreciation	198,248	209,271
Amortization	135,957	137,201
Amortization of upfront license fees	101,347	103,935
Loss on extinguishment of debt	28,277	9,628
Debt issuance cost amortization	10,297	11,523
Foreign exchange loss (gain), net	4,024	(17,541)
Loss (gain) on sale of assets	66	(63,239)
Stock-based compensation	(11,806)	12,502
Deferred income taxes	(36,705)	6,515
Other non-cash items, net	2,504	31,392
Changes in operating assets and liabilities, excluding the effects of acquisitions:		
Trade and other receivables	139,578	49,059
Inventories	(5,978)	802
Accounts payable	(5,662)	(57,317)
Other assets and liabilities	(14,807)	38,508
<b>Net cash provided by operating activities</b>	<b>325,099</b>	<b>591,721</b>
<b>Cash flows from investing activities</b>		
Capital expenditures	(160,179)	(231,003)
Proceeds from sale of assets	5,185	65,429
Other	10,897	2,545
<b>Net cash used in investing activities</b>	<b>(144,097)</b>	<b>(163,029)</b>
<b>Cash flows from financing activities</b>		
Proceeds from long-term debt	1,475,071	846,975
Net proceeds from short-term borrowings	74,927	19,573
Net receipts from (payments of) financial liabilities	36,468	(11,395)
Debt issuance costs paid	(19,616)	(5,934)
Payments in connection with extinguishment of debt	(25,000)	(8,598)
Dividends paid	(40,887)	(81,729)
Principal payments on long-term debt	(959,275)	(833,129)
Capital increase - non-controlling interests	2,030	1,075
Return of capital - non-controlling interests	-	(70,399)
Dividends paid - non-controlling interests	(91,376)	(129,394)
Other	(6,058)	(6,733)
<b>Net cash provided by (used in) financing activities</b>	<b>446,284</b>	<b>(279,688)</b>
Net increase in cash and cash equivalents and restricted cash and cash equivalents	627,286	149,004
Effect of exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents	8,225	(3,748)
Cash and cash equivalents and restricted cash and cash equivalents at the beginning of the period	894,251	511,777
<b>Cash and cash equivalents and restricted cash and cash equivalents at the end of the period</b>	<b>1,529,762</b>	<b>657,033</b>
<b>Supplemental Cash Flow Information:</b>		
Interest paid	(230,864)	(211,591)
Income taxes paid	(17,795)	(49,777)

**International Game Technology PLC**  
**Net Debt**  
(\$ thousands)  
**Unaudited**

	June 30, 2020	December 31, 2019
6.250% Senior Secured Notes due February 2022 <sup>(1)</sup>	1,005,593	1,491,328
4.750% Senior Secured Notes due February 2023 <sup>(2)</sup>	946,301	948,382
5.350% Senior Secured Notes due October 2023 <sup>(1)</sup>	60,836	60,885
3.500% Senior Secured Notes due July 2024 <sup>(2)</sup>	555,981	557,331
6.500% Senior Secured Notes due February 2025 <sup>(1)</sup>	1,090,786	1,089,959
3.500% Senior Secured Notes due June 2026 <sup>(2)</sup>	832,943	835,105
6.250% Senior Secured Notes due January 2027 <sup>(1)</sup>	743,765	743,387
2.375% Senior Secured Notes due April 2028 <sup>(2)</sup>	554,908	556,403
5.250% Senior Secured Notes due January 2029 <sup>(1)</sup>	742,827	-
<b>Senior Secured Notes, long-term</b>	<b>6,533,940</b>	<b>6,282,780</b>
Term Loan Facilities due January 2023 <sup>(2)</sup>	950,265	1,317,389
Revolving Credit Facilities due July 2024 <sup>(1) (2)</sup>	713,919	-
<b>Long-term debt, less current portion</b>	<b>8,198,124</b>	<b>7,600,169</b>
4.750% Senior Secured Notes due March 2020 <sup>(2)</sup>	-	434,789
5.500% Senior Secured Notes due June 2020 <sup>(1)</sup>	-	27,366
Term Loan Facilities due January 2023 <sup>(2)</sup>	358,336	-
<b>Current portion of long-term debt</b>	<b>358,336</b>	<b>462,155</b>
Short-term borrowings	79,291	3,193
<b>Total debt</b>	<b>8,635,751</b>	<b>8,065,517</b>
Less: Cash and cash equivalents	1,346,741	662,934
Less: Debt issuance costs, net - Revolving Credit Facilities due July 2024	-	20,464
<b>Net debt</b>	<b>7,289,010</b>	<b>7,382,119</b>

<sup>(1)</sup> U.S. dollar-denominated debt

<sup>(2)</sup> Euro-denominated debt

Note: Net debt is a non-GAAP financial measure

**International Game Technology PLC**  
**Reconciliations of Non-GAAP Financial Measures**  
(\$ and shares in thousands, except per share amounts)  
*Unaudited*

	For the three months ended	
	June 30,	
	2020	2019
Net (loss) income	(282,142)	38,987
(Benefit from) provision for income taxes	(11,321)	63,300
Interest expense, net	95,599	103,860
Foreign exchange loss, net	74,384	41,061
Other non-operating expense (income), net	29,374	(23,493)
Operating (loss) income	<u>(94,106)</u>	<u>223,715</u>
Depreciation	100,228	103,940
Amortization - purchase accounting	42,080	47,514
Amortization - non-purchase accounting <sup>(1)</sup>	74,602	73,249
Restructuring expense	43,429	2,412
Stock-based compensation	1,162	2,912
Other <sup>(2)</sup>	1,011	(33)
<b>Adjusted EBITDA</b>	<b><u>168,406</u></b>	<b><u>453,709</u></b>
Cash flows from operating activities	167,831	445,107
Capital expenditures	(60,481)	(111,818)
<b>Free Cash Flow</b>	<b><u>107,350</u></b>	<b><u>333,289</u></b>
Net (loss) income attributable to IGT PLC	(279,616)	4,856
Foreign exchange loss, net	74,384	41,061
Depreciation and amortization - purchase accounting	42,391	48,146
Restructuring expense	43,429	2,412
Loss on extinguishment of debt	23,260	9,628
Other <sup>(2)</sup>	1,011	(33)
Income tax impact on adjustments <sup>(3)</sup>	(26,339)	(15,374)
<b>Adjusted net (loss) income attributable to IGT PLC</b>	<b><u>(121,480)</u></b>	<b><u>90,696</u></b>
Weighted-average shares - diluted	204,748	204,412
Adjusted weighted-average shares - diluted <sup>(4)</sup>	204,748	204,412
Net (loss) income attributable to IGT PLC per common share - diluted	(1.37)	0.02
<b>Adjusted net (loss) income attributable to IGT PLC per common share - diluted</b>	<b>(0.59)</b>	<b>0.44</b>

<sup>(1)</sup> Includes amortization of upfront license fees

<sup>(2)</sup> Primarily includes transaction-related costs

<sup>(3)</sup> Adjustments for income taxes are determined based on the statutory tax rate in effect in the respective jurisdiction where the adjustment originated

<sup>(4)</sup> Adjusted weighted-average shares – diluted includes shares that were excluded from the GAAP computation, due to the net loss as reported

**International Game Technology PLC**  
**Reconciliations of Non-GAAP Financial Measures**  
(\$ and shares in thousands, except per share amounts)  
*Unaudited*

	For the six months ended	
	June 30,	
	2020	2019
Net (loss) income	(516,241)	119,482
(Benefit from) provision for income taxes	(8,189)	115,992
Interest expense, net	196,261	206,929
Foreign exchange loss (gain), net	4,024	(17,541)
Other non-operating expense (income), net	32,760	(22,995)
Operating (loss) income	<u>(291,385)</u>	<u>401,867</u>
Goodwill impairment	296,000	-
Depreciation	198,248	209,271
Amortization - purchase accounting	88,750	95,718
Amortization - non-purchase accounting <sup>(1)</sup>	148,554	145,418
Restructuring expense	47,053	5,701
Stock-based compensation	(11,806)	12,502
Other <sup>(2)</sup>	1,505	(95)
<b>Adjusted EBITDA</b>	<b><u>476,919</u></b>	<b><u>870,382</u></b>
Cash flows from operating activities	325,099	591,721
Capital expenditures	(160,179)	(231,003)
<b>Free Cash Flow</b>	<b><u>164,920</u></b>	<b><u>360,718</u></b>
Net (loss) income attributable to IGT PLC	(527,904)	45,110
Foreign exchange loss (gain), net	4,024	(17,541)
Goodwill impairment	296,000	-
Depreciation and amortization - purchase accounting	89,373	96,982
Restructuring expense	47,053	5,701
Loss on extinguishment of debt	23,260	9,628
Other <sup>(2)</sup>	1,505	(95)
Income tax impact on adjustments <sup>(3)</sup>	(38,263)	(24,778)
<b>Adjusted net (loss) income attributable to IGT PLC</b>	<b><u>(104,952)</u></b>	<b><u>115,007</u></b>
Weighted-average shares - diluted	204,591	204,532
Adjusted weighted-average shares - diluted <sup>(4)</sup>	204,591	204,532
Net (loss) income attributable to IGT PLC per common share - diluted	(2.58)	0.22
<b>Adjusted net (loss) income attributable to IGT PLC per common share - diluted</b>	<b>(0.51)</b>	<b>0.56</b>

<sup>(1)</sup> Includes amortization of upfront license fees

<sup>(2)</sup> Primarily includes transaction-related costs

<sup>(3)</sup> Adjustments for income taxes are determined based on the statutory tax rate in effect in the respective jurisdiction where the adjustment originated

<sup>(4)</sup> Adjusted weighted-average shares – diluted includes shares that were excluded from the GAAP computation, due to the net loss as reported



## INTERNATIONAL GAME TECHNOLOGY PLC

Select Financial Data					Key Performance Indicators				
				As	Constant			%	
3 Month Period Ended June 30th		Q2 '20	Q2 '19	Reported	FX	3 Month Period Ended June 30th		Change	
Gaming	<b>Total revenue</b>	<b>166</b>	<b>601</b>	<b>-72%</b>	<b>-72%</b>	<b>Installed base units (end of period)</b>			
	<b>Gaming services</b>	<b>111</b>	<b>382</b>	<b>-71%</b>	<b>-71%</b>	Casino	28,134	31,112	-9.6%
	Terminal	37	279	-87%	-87%	Casino - L/T lease <sup>(1)</sup>	930	-	NM
	Other	75	103	-28%	-27%	VLT - Government sponsored (ex-Italy)	18,669	18,651	0.1%
	<b>Product sales</b>	<b>55</b>	<b>219</b>	<b>-75%</b>	<b>-75%</b>	VLT - Italy supplier (B2B)	7,253	7,524	-3.6%
Terminal	44	155	-72%	-72%	<b>Total installed base units</b>	<b>54,986</b>	<b>57,287</b>	<b>-4.0%</b>	
Other	11	64	-82%	-82%	Yield (average gross revenue per unit per day)	\$ 5.41	\$ 27.96	-80.7%	
Lottery	<b>Total revenue</b>	<b>394</b>	<b>531</b>	<b>-26%</b>	<b>-25%</b>	<i>(1) Yield calculations should exclude these units due to accounting treatment as sales-type leases</i>			
	<b>Lottery services</b>	<b>372</b>	<b>495</b>	<b>-25%</b>	<b>-24%</b>	Additional Italian network details:			
	FMC	352	460	-23%	-23%	VLT - Operator (B2C)	10,844	10,929	-0.8%
	Instant ticket & draw games	352	460	-24%	-23%	AWP	37,138	40,268	-7.8%
	Other services	0	0	0%	0%	<b>Machine units shipped</b>			
	LMA	20	36	-43%	-43%	New/expansion	1,443	1,138	26.8%
	<b>Product sales</b>	<b>22</b>	<b>35</b>	<b>-39%</b>	<b>-38%</b>	Replacement	1,552	10,086	-84.6%
Other	<b>Total revenue</b>	<b>77</b>	<b>102</b>	<b>-25%</b>	<b>-22%</b>	<b>Total machines shipped</b>	<b>2,995</b>	<b>11,224</b>	<b>-73.3%</b>
	<b>Service revenue</b>	<b>77</b>	<b>102</b>	<b>-25%</b>	<b>-23%</b>	<b>Global lottery same-store revenue growth</b>			
	<b>Product sales</b>	<b>0</b>	<b>0</b>	<b>186%</b>	<b>186%</b>	Instant ticket & draw games			0.9%
Consolidated	<b>Revenue</b>	<b>637</b>	<b>1,234</b>	<b>-48%</b>	<b>-48%</b>	Multistate jackpots			-25.5%
	<b>Operating (Loss)/Income:</b>					<b>Total lottery same-store revenue growth (ex-Italy)</b>			<b>-1.7%</b>
	Segment total	29	327	-91%	-91%	<b>Italy lottery revenue growth</b>			<b>-54.8%</b>
	Purchase accounting	(42)	(48)	-12%	-12%				
	Corporate support	(80)	(55)	-46%	-47%				
<b>Total</b>	<b>(94)</b>	<b>224</b>	<b>NM</b>	<b>NM</b>					