



PRESS RELEASE

LOTTOMATICA ANNOUNCES POSITIVE 2009 FIRST-QUARTER RESULTS

Marco Sala Appointed Group CEO

Consolidated Financial Highlights

- Earnings-per-share of €0.48, up 71% over 1Q 2008
- Reported net income, after minorities, grew to €72 million, up 69% over 1Q 2008
- EBITDA of €240 million, up 17% over 1Q 2008
- 2009 Guidance provided

Lottomatica Group 2009 First-Quarter Results

Consolidated Income Statement (€/M)	1Q 2009	1Q 2009 at constant currency³	1Q 2008
Revenues ¹	582.2	561.9	448.5
EBITDA ²	239.6	231.0	204.6
EBITDA %	41.1%	41.1%	45.6%
Operating Income	155.2		134.5
Net Income After Minorities	71.9		42.5

¹ 1Q'09 revenues as reported include €31.7M net acquisitions impact.

²EBITDA represents operating income plus depreciation, amortization and write-downs and other non-cash items. 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.

³ \$/€ FX average: 1.53 in 1Q'08; 1.29 in 1Q'09.

ROME (ITALY) - PROVIDENCE, RHODE ISLAND (US), April 28, 2009 – The Board of Directors of Lottomatica S.p.A., chaired by Mr. Lorenzo Pellicoli, today approved the consolidated accounts for the first quarter of 2009, which ended March 31, 2009.

Lorenzo Pellicoli, Chairman of Lottomatica, said: *"Overall, Lottomatica Group had an excellent quarter, demonstrating the Company's resiliency during extremely difficult economic conditions. Driving these positive results were key investments and acquisitions made as part of a strategy to broaden our product portfolio and the geographies we serve. Lottomatica Group has the capability, flexibility and insight necessary to prioritize opportunities throughout the world and deploy capital to ensure the highest return on our investments. We are encouraged that the actions we have taken and investments we have made are producing the results we had anticipated."*

"I am pleased to report that we experienced solid progress in all of our businesses," said **Stefano Bortoli, CFO of Lottomatica**. "As a result, we are on track in terms of achieving our long-term goals for growth, and have confidence in our outlook for the full year which is presented herein."

Figures (€/M)	1Q Revenues			1Q EBITDA		
	2009	2008	% chg	2009	2008	% chg
Lottomatica	319.2	253.3	26.0	167.2	135.3	23.6
GTECH (constant currency)	242.7	195.2	24.3	63.8	69.3	(7.9)
FX impact	20.3	-	-	8.6	-	-
GTECH (as reported)	263.0	195.2	34.7	72.4	69.3	4.4
Total Group, consolidated	582.2	448.5	29.8	239.6	204.6	17.1

For the first quarter ended March 31, 2009, **Revenues** totaled €582.2 million. Overall, revenues grew 30% year-over-year, and 25.3% on a constant currency basis. The Group achieved organic revenue growth of 18% on a constant currency basis, excluding acquisitions.

Reported EBITDA was €239.6 million, up 17% compared to the first quarter of 2008. The increase in EBITDA was mainly driven by growth in the Italian market. EBITDA margins were 41% in the first quarter of 2009 versus 46% in the same period last year, affected primarily by a change in the mix of revenues.

Operating Income was €155.2 million, up 15.4% over €134.5 million in the first quarter of 2008.

Net **Cash Flows** from Operating Activities generated €148.1 million in the first quarter, compared to €62.9 million in the same period last year, up 136%.

During the first quarter, the Group's **Investing Activities** totaled €44.8 million.

At March 31, 2009, Consolidated Shareholders' Equity totaled €1.8 billion. Lottomatica Group had a **Net Financial Position** of €2.76 billion, up slightly compared to €2.71 billion as of December 31, 2008. In the first quarter of 2009, Net Debt decreased slightly versus 2008 year-end before foreign exchange rate fluctuations.

Revenues by Segment

Business Segment Revenues (€/M)	1Q 2009	1Q 2008	Increase (Decrease)	%
Lottery	401.3	359.3	42.0	11.7
Sports Betting	73.7	32.7	41.0	125.6
Gaming Solutions	67.3	34.5	32.8	94.9
Interactive	17.4	2.5	14.9	>500
Commercial Services	23.3	19.5	3.8	19.2
Intersegment Eliminations	(0.8)	--	(0.8)	--
Total:	582.2	448.5	133.7	29.8

Lottery

Revenues for Lottomatica in the Lottery segment totaled €186.4 million, comparable to the first quarter of 2008. Italian Lotto and instant-ticket wagers grew approximately 2% to €4.0 billion in the first quarter of 2009.

The performance of instant tickets in Italy remained strong in the first quarter, resulting in wagers of €2.6 billion, compared to wagers of €2.5 billion in the first three months of 2008. More than 677 million Scratch & Win tickets were sold in the first quarter, with an average price point of €3.83 versus €3.65 in the first quarter of last year.

Total revenues for GTECH in the Lottery segment were €214.9 million, compared to €173.6 million in the first quarter of 2008, up 24%. Same-store revenues, on a worldwide basis, grew 1%. During the quarter, GTECH successfully secured a long-term online contract with the New York Lottery, as well as contract extensions with lottery customers in Tennessee, Minnesota, and Portugal. GTECH also won an instant-processing system bid in Arizona, while GTECH Printing Corporation received an instant-ticket printing contract from the British Columbia Lottery Corporation in Canada.

Sports Betting and Interactive

Revenues from sports betting and pool games in Italy more than doubled to €73.7 million in the first quarter of 2009 from €32.7 million in the first quarter of last year, while wagers increased from €193.9 million to €332.4 million, up 71%.

In November 2008, Lottomatica entered into the newly-liberalized segment of skill games in Italy and introduced an interactive online poker network. Wagers on skill games in Italy totaled €75.4 million in the first quarter of 2009.

Growth in the Interactive business segment reflects a contribution of €13.4 million in new revenues from Boss Media and St Minver, both acquired in the second quarter of 2008. The existing Interactive business, specifically the provision of online and retail sports betting solutions to the commercial gaming market, grew by 29.3% in the first quarter of 2009, versus the first quarter of 2008.

Gaming Solutions

In the Gaming Solutions segment, Lottomatica continues to strengthen its presence in the value chain through the direct management of gaming machines. The number of Amusement with Prize (AWP) machines installed in Italy grew from approximately 49,000 machines as of December 31, 2008, to 51,000 at the end of March 2009. Wagers also grew from €787 million to €1.1 billion, up 33.8% versus the first quarter of 2008.

During the quarter, ATRONIC and GTECH have been working with Lottomatica to develop a modified ATRONIC cabinet and games that are compliant with regulations for the Italian AWP market.

2009 Guidance

(€/M)	2008A	2009E
Revenues	2,059	2,150 – 2,250
EBITDA	756	780 – 800
Earnings Per Share (€)	0.62	0.78 – 0.90
Capital Expenditures	243	360 – 380
Net Financial Position	2,714	2,750 – 2,850
Average USD/EUR	1.47	1.30
Year-end USD/EUR	1.39	1.30

Earnings guidance for the full year 2009 supersedes any guidance previously given. Further visibility on future years will be provided in due course.

Lottomatica expects revenues for 2009 to be in the range of €2.15 billion - €2.25 billion, and EBITDA is expected in the range of €780 million - €800 million. The increase in revenues will be driven by continued strong performance across all business segments.

Earnings per share are expected in the range of €0.78 - €0.90.

Capital Expenditures are expected in the range of €360 million - €380 million, and within this amount, Lottomatica will be investing €90 million - €100 million in the Sports Betting and Gaming Solutions segments in Italy to drive further growth.

Based on the above guidance, Lottomatica's Net Financial Position for 2009 is expected in the range of €2.75 billion - €2.85 billion.

Other Business Developments

The Board accepted the resignation of Mr. Pellicoli as Group CEO and approved the proposal of Marco Sala as the new CEO of the Group, effective immediately. Mr. Pellicoli will remain as Chairman of Lottomatica. Renato Ascoli, Lottomatica's Head of the Business Division, has been named General Manager of Lottomatica, responsible for the Italian market.

Declaration

The manager responsible for preparing the Company's financial reports, Stefano Bortoli, 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.

Forward-looking statement

The "2009 Guidance" section of this press release contains certain forward-looking statements that have not been independently verified and, by their nature, involve risks and uncertainties because they relate to events and depend on circumstances assumed to occur in the future. Actual results may differ from those expressed in such statements, depending on a variety of factors, including management's ability to carry out industrial plans; future development of the markets where Lottomatica operates; effective business performance; general economic conditions; changes in laws and regulations; declining customers' appreciation; and competition.

Lottomatica is a market leader in the Italian gaming industry and one of the largest Lottery operators in the world based on total wagers and, through its subsidiary GTECH Corporation, is a leading provider of lottery and gaming technology solutions worldwide. Together, the Company is the only vertically integrated full service lottery company. Lottomatica is majority owned by De Agostini, which belongs to a century-old publishing and media services group. Lottomatica is listed on the Stock Exchange of Milan under the trading symbol "LTO". In 2008, the Company had approximately €2.1 billion in revenues and 7,500 employees in over 50 countries when combined with GTECH.

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*This press release and the previous ones are available on Lottomatica and GTECH web sites:
www.lottomaticagroup.com - www.gtech.com*

Lottomatica Group Consolidated Financial Statements to follow:

LOTTOMATICA GROUP AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	March 31, 2009	December 31, 2008
	<u>Unaudited</u>	<u>Audited</u>
<i>(thousands of euros)</i>		
ASSETS		
Non-current assets		
Systems, equipment and other assets related to contracts, net	761,780	758,717
Property, plant and equipment, net	91,495	86,023
Goodwill	3,187,201	3,086,297
Intangible assets, net	863,994	853,146
Investments in associates	5,893	6,093
Other non-current assets	24,786	21,380
Non-current financial assets	2,142	390
Deferred income taxes	253,292	235,421
Total non-current assets	<u>5,190,583</u>	<u>5,047,467</u>
Current assets		
Inventories	121,026	129,560
Trade and other receivables	790,666	773,595
Other current assets	74,555	65,160
Current financial assets	17,278	20,288
Income taxes receivable	2,997	5,654
Cash and cash equivalents	76,081	109,274
Total current assets	<u>1,082,603</u>	<u>1,103,531</u>
Non-current assets classified as held for sale	7,697	7,456
TOTAL ASSETS	<u>6,280,883</u>	<u>6,158,454</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Issued capital	152,287	152,287
Share premium	1,139,071	1,139,071
Treasury shares	(72,978)	(73,184)
Retained earnings	167,221	95,647
Other reserves	347,738	295,174
	<u>1,733,339</u>	<u>1,608,995</u>
Non-controlling interests	<u>28,780</u>	<u>58,428</u>
Total equity	<u>1,762,119</u>	<u>1,667,423</u>
Non-current liabilities		
Long-term debt, less current portion	2,637,080	2,573,802
Deferred income taxes	484,361	441,409
Long-term provisions	27,609	27,042
Other non-current liabilities	50,725	48,339
Non-current financial liabilities	129,268	134,604
Total non-current liabilities	<u>3,329,043</u>	<u>3,225,196</u>
Current liabilities		
Accounts payable	741,941	800,653
Short-term borrowings	14,143	60,848
Other current liabilities	268,072	278,751
Current financial liabilities	64,216	12,741
Current portion of long-term debt	14,110	61,109
Short-term provisions	2,499	2,276
Income taxes payable	84,740	49,457
Total current liabilities	<u>1,189,721</u>	<u>1,265,835</u>
TOTAL EQUITY AND LIABILITIES	<u>6,280,883</u>	<u>6,158,454</u>

LOTTOMATICA GROUP AND SUBSIDIARIES
INTERIM CONSOLIDATED INCOME STATEMENTS

	For the three months ended March 31	
	2009	2008
<i>(thousands of euros)</i>	<i>Unaudited</i>	
Service revenue	541,478	436,936
Product sales	40,769	11,609
Total revenue	582,247	448,545
Raw materials, services and other costs	248,841	177,801
Personnel	112,188	91,175
Depreciation, amortization and impairment	83,510	68,445
Capitalization of internal construction costs - labor and overhead	(17,489)	(23,411)
Total costs	427,050	314,010
Operating income	155,197	134,535
Interest income	948	3,992
Equity loss	(273)	-
Other income	504	528
Other expense	(1,100)	(635)
Foreign exchange gain (loss), net	11,180	(11,081)
Interest expense	(42,096)	(42,671)
	(30,837)	(49,867)
Income before income tax expense	124,360	84,668
Income tax expense	38,551	29,236
Net income	85,809	55,432
Attributable to:		
Owners of the parent	71,897	42,521
Non-controlling interests	13,912	12,911
	85,809	55,432
Earnings per share/ADRs		
Basic - net income attributable to owners of the parent	€ 0,48	€ 0,28
Diluted - net income attributable to owners of the parent	€ 0,48	€ 0,28

LOTTOMATICA GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the three months ended	
	March 31	
	2009	2008
	<i>Unaudited</i>	
<i>(thousands of euros)</i>		
Operating activities		
Income before income tax expense	124,360	84,668
Adjustments to reconcile income before income tax expense to net cash flows		
Depreciation and impairment	59,702	50,804
Intangibles amortization and impairment	23,859	17,685
Other amortization	(50)	(44)
Interest income	(948)	(3,992)
Interest expense	42,096	42,671
Unrealized foreign exchange (gain) loss	(11,370)	10,423
Share-based payment expense	3,768	2,777
Brazil escrow	-	15,680
Other non-cash items	1,664	1,275
Income tax paid	(8,874)	(3,526)
Cash flows before changes in operating assets and liabilities	234,207	218,421
Changes in operating assets and liabilities:		
Inventories	12,665	(27,106)
Trade and other receivables	(15,393)	(139,183)
Accounts payable	(61,918)	12,298
Advance payments from customers	(16,602)	3,094
Taxes other than income taxes	(7,092)	2,368
Other assets and liabilities	2,204	(7,017)
Net cash flows from operating activities	148,071	62,875
Investing activities		
Purchases of systems, equipment and other assets related to contracts	(37,588)	(29,520)
Purchases of property, plant and equipment	(4,966)	(3,437)
Acquisitions	(4,312)	(743)
Acquisitions - cash acquired	31	2,296
Loans receivable	(2,356)	-
Other investments	(1,317)	(2,813)
Purchases of intangible assets	(991)	(2,927)
Refundable performance deposit	780	1,345
Interest received	931	4,034
Realized gain on net investment hedge	5,686	-
Investment in Boss Media AB	-	(119,729)
Other	(727)	300
Net cash flows used in investing activities	(44,829)	(151,194)
Financing activities		
Interest paid	(84,201)	(80,416)
Principal payments on long-term debt	(51,276)	(101)
Net proceeds from (repayment of) short-term borrowings	(47,087)	37,875
Proceeds from issuance of long-term debt	50,674	-
Proceeds from exercise of stock options	-	1,172
Other	186	116
Net cash flows used in financing activities	(131,704)	(41,354)
Net decrease in cash and cash equivalents	(28,462)	(129,673)
Effect of exchange rate changes on cash	(4,731)	(8,213)
Cash and cash equivalents at the beginning of the period	109,274	434,065
Cash and cash equivalents at the end of the period	76,081	296,179