



**LOTTOMATICA GROUP S.p.A.**

With Registered Office in Rome, Viale del Campo Boario, 56/d

Paid-in Capital Euro 172,015,373.00

Registered in the Companies Register of Rome with the no. 08028081001

Subjected to the management and coordination of De Agostini S.p.A.

**ILLUSTRATIVE REPORT BY THE BOARD OF DIRECTORS ON THE FIRST ITEM ON  
THE AGENDA OF THE SHAREHOLDERS' MEETING  
SUMMONED FOR APRIL 30, 2010**

**Item no. 1 on the agenda – “*Financial statements as at December 31, 2009 and proposed allocation of net profits and part of the reserves; inherent and consequent resolutions*”.**

Dear Shareholders,

The 2009 financial year closes for the Company with a net profit equal to Euro 110,605,355.81, compared to the profits of the previous financial year 2008 that were equal to Euro 115,536,212.99.

While referring for any detailed information to the documentation already made available in compliance with the provisions of law, you are hereby invited in ordinary session to:

- approve the financial statements of Lottomatica Group S.p.A. as at December 31, 2009, along with the related reports;
- allocate Euro 3,945,707.60 from the said profit to the legal reserve fund, so as to twenty per cent the corporate share capital, therefore up to an overall amount of Euro 34,403,074.60;
- resolve to distribute to the Shareholders, as an ordinary dividend, the remaining portion of the said profit equal to Euro 106,659,648.21, in addition to euro 14,518,492.43 related to previous profits and to euro 3,637,054.78 related to a quota of the share premium reserve, which corresponds to a total of euro 124,815,195.42 and to an overall dividend per share of Euro 0.74, inclusive of dividends on own shares pursuant to Section 2357-*ter*, par. 2 of the Italian Civil Code.

Should the above proposal be approved, the dividends will be paid starting from May 27, 2010, upon prior coupon detachment on May 24, 2010, and no tax benefit will arise therefrom. With reference to the tax treatment, the proposed dividend quota deriving from the year profit equals to Euro 121,178,140.64, while the dividend quota deriving from the share premium reserve equals to Euro 3.637.054,78.

Rome, March 3, 2010

On behalf of the Board of Directors

The Chairman

Lorenzo Pelliccioli

